NKANDLA MUNICIPALITY

APPROVED BUDGET
2020/21 TO 2022/23

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Abbreviations and Acronyms

CFO	Chief Financial Officer
CPI	Consumer Price Index
CRRF	Capital Replacement Reserve Fund
DBSA	Development Bank of South Africa
DoRA	Division of Revenue Act
FBS	Free basic services
GAMAP	Generally Accepted Municipal Accounting Practice
GDP	Gross domestic product
GFS	Government Financial Statistics
GRAP	General Recognised Accounting Practice
HR	Human Resources
IDP	Integrated Development Strategy
IT	Information
kℓ	kilolitre
km	kilometre
kWh	kilowatt
ℓ	litre
LED	Local Economic Development
MFMA	Municipal Financial Management Act
MIG	Municipal Infrastructure Grant
MPRA	Municipal Properties Rates Act
MSA	Municipal Systems Act
MTEF	Medium-term Expenditure Framework
MTREF	Medium-term Revenue and Expenditure Framework
NERSA	National Electricity Regulator South Africa
NGO	Non-Governmental organisations
NKPIs	National Key Performance Indicators
PPE	Property Plant and Equipment
SDBIP	Service Delivery Budget Implementation Plan
SMME	Small Micro and Medium Enterprises

PART 1 – APPROVED ANNUAL BUDGET

MAYOR'S REPORT

SPEECH BY HIS WORSHIP THE MAYOR OF NKANDLA MUNICIPALITY CLLR THAMSANQA NTULI DURING THE OCCASION OF THE TABLING OF THE MUNICIPAL DRAFT BUDGET AT THE NKANDLA MUNICIPALITY COUNCIL

28 MAY 2020

Honourable Speaker Cllr SO Sibiya
Honourable Deputy Mayor Cllr NFJ NZUZA
Honourable Members of the Executive Committee
Honourable Members of the Municipal Council
Members of the Mayoral Committees for Finance
Traditional Leaders
Municipal Manager
All Heads of Departments and all managers
Chairpersons of Public Accounts committee

The People of Nkandla

It is with great pleasure and gratitude that I once again stand in this council to present the 2020/2021 Annual draft budget. The Budget Speech I am presenting now is a summary of the larger, more detailed document Honourable Members have in front of you. In this Budget we pledge to implement in the 2020/21 financial year concrete plans which will positively impact on the lives of our people across the diversity of our society. This Budget contains both our immediate and long-term plans inspired by the positive mood of the "**Sethembe''** as articulated by His Excellency IFP President Mntwana wakwa Phindangene in the IFP Manifesto speech.
We are committed to lead with integrity and to respond speedily to the needs of our communities.
Our public consultation meetings and IDP has serve as a guide to our budget decisions that we urgently need to stimulate inclusive growth which is the nexus of equitable redistribution of economic assets and job creation. We need to fund emerging and critical programmes that advance the objective of an inclusive, united, and prosperous society

NATIONAL ECONOMIC OUTLOOK

Honourable Speaker

Higher real wages and new business-friendly prescriptions, meanwhile, are expected to lift economic sentiment and stoke household spending and fixed investment, respectively.
Key downside risks remain, however, and a credit-rating downgrade by Moody's would trigger large-scale capital outflows and undermine any short-term recovery.

Medium-term growth prospects are being held back by concerns over fiscal slippage and the inadequate pace of reforms.

The issue of Eskom and load shading remain a concern to all of us as we are all affected by this situation where our electrical appliances getting damaged by the on an off of electricity and the increase of crime in our country. Most of house braking's take place when it is dark-where there is no electricity.
We are also worried about the arrest and involvement of Mayors in political killings this will create instability which will results to investment insecurities in our country.

Honourable Speaker

We are proud to say that even these difficult times where our community experiencing backlog on service delivery by the Government in particular the water service, upgrade of schools and roads, our Municipality budget continues to be a catalyst for radical social and Nkandla economic transformation.

We have made progress in implementing the budget priorities outlined in 2019/2020 Main budget.
I will briefly comment on some of the developments.

I will now provide an overview of progress made against the key commitments in the 2019/20 Main /Annual budget.

BUDGET REPRIORITISATION AND FISCAL CONSOLIDATION

In our main budget we have developed a Recovery Action Plan to address the expenditure management and service delivery improvements which includes the following:

- Cost containment of administrative personnel expenditure while protecting without compromising service delivery.
- Improving revenue collection.
- Intensification of cost containment measures.

These were difficult but necessary decisions that were taken to help the municipality to overcome the economic challenges.

Improving revenue collection

The Municipal Revenue is comprised of three components, that is, equitable share: conditional grants and own revenue.

We projected to collect approximately R75 978 000 in Own Revenue as of 30 June 2021 against the Annual target of R 43 898 000 million which inclusive of grants for the 2019/20 financial year.

We are however optimistic that this Own Revenue target remains within reach.

As part of the review of the Revenue Enhancement Policy, we are exploring the possibilities of investment and retention strategy.

PAYMENT OF INVOICES

Honourable Speaker.

Our efforts of mainstreaming local SMMEs and Cooperatives in the economy will not yield the desired result if suppliers are not paid, on time, for services rendered.
While the attempts are being made to comply with the treasury policy for paying suppliers within 30 days of receipt of valid invoices but the municipality still experience challenges due to the high volume of payment certificates and too many signatories in the payment cycle value chain.

The budget and treasury have developed a payment process flow that advocates for a lesser number of days from the traditional 30 days without compromising basic controls.
We will continue to work harder to ensure that all these priority programmes are implemented effectively, delivered on time and within the fiscal capacity of the Municipality
.

2020/2021 MUNICIPAL BUDGET

Fiscal framework

I will now comment on some of the details of the 2020/21 Municipal budget.

The 2020/21 Municipal Fiscal Framework will increase by R12 million up which is made up of R109.4 Million from the Municipal Equitable Share and other Grants both National and Provincial Government, amounting to a total budget of R231 **million**. As compare to previous year which was R206.5 **million**

BUDGET PRIORITIES

ESSENTIAL SERVICE

- The security service has slightly increased from R8,3 Million to 10 million
- IT governance and ICT support as it was highlighted by AG as one area that requires intervention in our Municipality has increased from R1.2 Million to R1.72 Million
- Communication as an important area for community involvement has increased from R1.5 million to R3 Million
- Electricity maintenance and licensing has remained unchanged at R2.0 million
- Plant hire has also increased slightly by R1000 000 due to community demand on access roads from R3.5 million to R4.5 million

CAPITAL PROJECTS

The Total Budget for Capital projects is R 41 184 000.00 for the following

CAPITAL PROJECTS		
No.	**Project Name**	**Amount (R)**
1	Siphande Access Road	3 000 000.00
4	Sikhwane Access Road	3 000 000.00
5	Mabengela Sports Centre	3 000 000.00
6	Lindela Taxi Rank	3 000 000.00
7	Thalaneni/ Mbizwe Access Road Phase 2	3 475 000.00
8	Ezindumeni	2 000 000.00
9	PMU	1 135 300.00
10	Multi-Year Projects	4 3095 700.00
		R22 706 000.00

CAPITAL PROJECTS INTERNALLY FUNDED		
No.	**Project Name**	**Amount (R)**
1	Construction of Mqubeni Creches	550 000.00
2	Construction of Madlozi Creches	550 000.00
3	Construction of Mthandanhle Creches	550 000.00

INEP FUNDED PROJECTS

Cuphuchuku Electrification	R1 500 000
Maqhashiya/ Zingwelevu Electrification	R1 500 000
Maphumulo Electrification	R1 500 000
Nhloshana Electrification	R6 300 000
TOTALS	**10 800 000**

REPAIRS AND MAINTANANCE R 11 111 000

Other Internal funded programs

Youth budget	R 1 300 000
Sport & Recreation	R 530 000
Mayoral Cup	R1 450 000
Women	R 200 000
Disability	R 300 000
LED	R 3 235 000
Cultural Development	R1 215 000
Senior Citizens	R400 000
OSS	R 600 000
Disaster	R 1 149 600
Public Participation & IDP	R 800 000

FINANCIAL GOVERNANCE

Irregular; fruitless and wasteful as well as unauthorised expenditure

Honourable Speaker,

Allocated budgets should be used prudently and accounted for in line with all legislative prescripts.

The root causes for audit findings need urgent attention by the Municipality and improvement by putting the key controls and addressing risk areas.
Consequences for poor performance and transgressions need to be taken.

Conclusion
Many thanks to all Honourable Members of different Portfolio Committees and EXCO members.

Last but not least, allow me to convey my appreciation to my family for their understanding and I will forever be indebted to my family and my children for their generous support as I perform this public duty on behalf of our people.

Honourable Speaker, I now have the honour to table:
Annual budget R 231 Million

I Thank You

FINAL BUDGET RESOLUTIONS

(a) That in terms of the Section 24 of the Municipal Finance Management Act, 56 of 2003, the annual budget of the municipality for the financial year 2020/21; and indicative allocations for the two projected outer years 2021/22 and 2022/23; and the multi-year and single year capital appropriations as sets out in the following tables:-

- The annual budget of the municipality for the financial year 2020/21 and the multi-year and single-year capital appropriations as set out in the following tables:
- Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table A4
- Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3
- Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table A2
- Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table A5

(b) The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:

- Budgeted Financial Position as contained in Table A6;
- Budgeted Cash Flows as contained in Table A7;
- Cash backed reserves and accumulated surplus reconciliation as contained in Table A8;
- Asset management as contained in Table A9; and
- Basic service delivery measurement as contained in Table A10.

(c) That the revenue source that will be utilised to fund both operating and capital budgets be approved and adopted.

(d) That in terms of the Section 24(2)(c)(i) of the Municipal Finance Management Act, 56 of 2003, and Sections 74 and 75A of the Local Government Municipal Systems Act, 32 of 2000 as amended, the tariffs for the electricity, waste services and property rates as set out in Annexure C be approved and adopted with effect from 1 July 2019:

(e) That it be noted that Rates, Refuse and other tariffs will be increased by 7 percent.

(f) That it be noted that the electricity tariffs have been provisionally increased by 13.07% (and levied from 01 August 2019) pending NERSA approval. NERSA guideline is 13.07 percent.

(g) That in terms of the Indigent Policy, the monthly household earnings of an indigent application be capped at R3 600.

(h) To give proper effect to the municipality's annual budget, the Council approves the following draft policies and bylaws:

- That the Customer Care, Credit Control and Debt Collection Policy be noted and approved.
- That the Supply Chain management Policy be noted and approved.
- That the Rates Policy be noted and approved.
- That the Tariff Policy be noted and approved.
- That the Debt Write-off Policy be noted and approved.
- That the Electricity Distribution Policy be noted and approved.
- That the Electricity Supply Policy be noted and approved.
- That the Cash Management and Investment Policy be noted and approved.
- That the Virement Policy be noted and approved.
- That the Funding and Reserve Policy be noted and approved.
- That the Petty Cash Policy be noted and approved.
- That the Indigent Support Policy be noted and approved
- That the Budget Policy be noted and approved
- That the Fixed Asset Management Policy be noted and approved.
- That the Fixed Asset Maintenance Policy be noted and approved.
- That the Creditors Payment and Employee Remuneration Policy be noted and approved.
- That the Property Rates Bylaw be noted and approved.
- That the electricity Bylaw be noted and approved.

(i) That the Assessment of the 2020/21 Annual Budget Tabled dated 22 May 2020 in terms of Section 16(2) of the MFMA be noted

EXECUTIVE SUMMARY

OVERVIEW OF THE MUNICIPALITY

Nkandla Municipality is located approximately 55 kilometres south west of Mthonjaneni Local Municipality, 60 kilometres from uMlalazi Local Municipality and approximately 50 kilometres from Isandlwane battle fields. It is situated 150 kilometres from Umhlathuze Local Municipality and 250 kilometres from Ethekwini Metropolitan Municipality. Nkandla LM is richly bestowed with natural indigenous forests, sufficient land for different agricultural crops and various famous high qualities Ntingwe Tea which is traded all over the world. The tea is affectionately called Zulu tea abroad. Nkandla LM is pictures recue with rolling lush green hills intercepted by meandering rivers. The natural landscape is breath-taking and remains largely undeveloped which contributes to the beauty and breath-taking view vistas. The place is rich with culture which has been preserved for years.

Nkandla is also the place where some of the first signs of Black resistance against the apartheid system emerged. King Shaka led a great war against people of Zwide in the efforts of coining the Zulu nation during the Mfecane era. One of the nation's greatest Kings, King Cetshwayo was laid to rest within the spread of the untouched natural forest in Nkandla. The people of the world need to know that Nkandla is a place which is extremely tranquil where one can feel at one with nature, where one can turn back the hand of time and reflect on the past and get the sense of what being a true African means. Moving from a rich history to the establishment of a democratic elected government, National, Provincial and Local Municipalities.

The following are the statistics for Nkandla drawn from 2020/21 IDP.

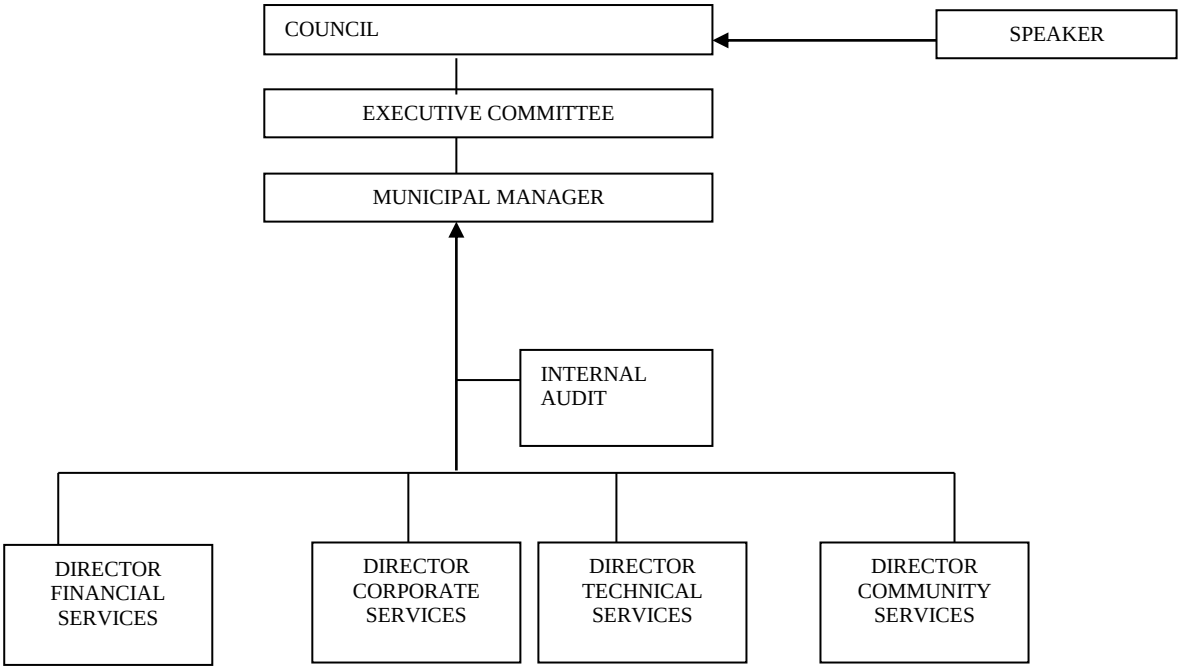
Economic activities	%
Subsistence Agriculture	16
Informal Sector	13
Local Wages	0.5
Migrant Remittances	20
Government Grants	50
No income	42.1

Institutional Arrangements

The Nkandla Municipality Organogram (illustrated below), and as approved by Council, makes provision for a Municipal Manager and four Departments each headed by a Director. The four Departments of the municipality are:

- Financial Services
- Corporate Services
- Technical Services
- Community and Economic Development Services

NKANDLA MUNICIPALITY: ORGANOGRAM



COUNCILLORS, EXECUTIVE COMMITTEE AND OFFICIALS

EXECUTIVE COMMITTEE

DESIGNATION	SURNAME & INITIALS	PORTFOLIO COUNCILLOR	POLITICAL PARTY	WARD
Mayor	AT Ntuli	Budget & Treasury	IFP	06
Deputy Mayor	NFJ Nzuza	Community Services	IFP	06
Speaker	SO Sibiya	Council	IFP	06
Executive Committee Member	BB Dlomo	Technical & Corporate Services	IFP	03
Executive Committee Member	NR Xulu		ANC	11
Executive Committee Member	BZ Mncadi-Mpanza		ANC	11

COUNCIL

DESIGNATION	SURNAME & INITIALS	POLITICAL PARTY	WARD
Councillor	Mncube TP	IFP	01
Councillor	Mahaye NP	IFP	01
Councillor	ZM Mbeje	IFP	02
Councillor	MBE Ntombela	ANC	03
Councillor	Nxumalo TF	IFP	04
Councillor	Dlamini PR	ANC	05
Councillor	Mpungose DB	ANC	05
Councillor	Ntuli JB	ANC	06
Councillor	Magubane FK	ANC	06
Councillor	Khumalo NC	IFP	07
Councillor	Mbuyisa TB	IFP	08
Councillor	Msimang LMB	IFP	09
Councillor	Ndima BB	ANC	09
Councillor	Buthelezi PJ	IFP	10
Councillor	Magubane NPN	IFP	10
Councillor	Gasa NW	ANC	10
Councillor	Ntombela TB	IFP	11
Councillor	Zulu NP	ANC	11
Councillor	Sikhakhane AS	IFP	12
Councillor	Lushozi VS (Deceased)	ANC	13
Councillor	Mbambo BS	ANC	14

SENIOR OFFICIALS

DESIGNATION	INITIALS & SURNAME
Municipal Manager	Mr. LS Jili
Director: Financial Services	Mr. S Ntombela
Director: Corporate Services	Ms. N Xulu
Director: Technical Services	Mr. N Mnyandu
Director: Community Services	Mrs N Shangase

LEGISLATION COMPLIANCE STATUS

In terms of Section 16 (1) of the MFMA the council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year. (2) In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year. (3) Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years.

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

- The budget processes.
- Supply Chain Management.
- Financial in-year reporting.
- Adjustment budgeting
- Annual reporting.
- Compilation and implementation of various policies.
- Compilation of procedural notes for main financial accounting processes.
- The budget and Treasury office has been established in accordance with the requirements
- Service Delivery and Budget Implementation plans are applied as monitoring tools
- Audit Committee has been established

Compliance with MFMA Circular No. 99

The Circular guides municipalities with their preparation of the 2020/21 Medium Term Revenue and Expenditure Framework (MTREF) and, as with previous annual budget circulars it should be read within this context. Among the objectives of this Circular, is to support municipalities with giving effect to National Treasury's Municipal Budget and Reporting Regulations (MBRR) within the current economic climate. The key focus of this Circular is the grant allocations per the 2020 Budget Review and the 2020 Division of Revenue Bill.

National Treasury has released Version 6.4 of Schedule A1 (the Excel Formats) which is aligned to version 6.4 of the mSCOA classification framework which must be used when compiling the 2020/21 MTREF budget. ALL municipalities MUST use this version for the preparation of their 2020/21 MTREF budget.

The circular emphasises that "It is imperative that all municipalities prepare their 2020/21 MTREF budgets in their mSCOA financial systems and that the A1 schedule be produced directly from their financial system. All financial systems must have this functionality to assist and prepare budgets".

Legislations

Nkandla Municipality has complied with several legislations amongst others-

- Municipal Finance Management Act (No. 56 of 2003)
- Municipal Budget and Reporting Regulations (Government Gazette 32141)
- Annual Division of Revenue Act
- Municipal Structures Act (No. 117 of 1998), as amended
- Municipal Systems Act (No. 32 of 2000), as amended
- Municipal Property Rates Act (No. 6 of 2004), as amended
- Municipal Fiscal Powers and Functions Act (No. 12 of 2007)

Other National Treasury Circulars

- MFMA Circular No. 55
- MFMA Circular No. 71
- MFMA Circular No. 80
- MFMA Circular No. 82
- MFMA Circular No. 85
- MFMA Circular No. 86
- MFMA Circular No. 91
- MFMA Circular No. 93
- MFMA Circular No. 94
- Budget Formats Guidelines

KZN Provincial Circular

- Provincial Treasury Circular No. PT/MF 08 of 2018/19 dated 12 March 2019.
- Provincial Treasury Circular No. PT/MF 10 of 2020/21 dated 19 December 2019.

INTRODUCTION

The purpose of the 2020/21 draft medium-term budget is to comply with the Municipal Finance Management Act (No.56 of 2003) and is a financial plan to enable the municipality to achieve its vision and mission through the IDP which informs the Nkandla Municipality's five-year programme and community/stakeholder inputs.

The MFMA Circular No.99 states that *to facilitate oversight of compliance with the Municipal Budget and Reporting Regulations, accounting officers are reminded that:*

- *Section 22(b)(i) of the MFMA, requires that immediately after an annual budget is tabled in the municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in both printed and electronic formats. If the annual budget is tabled to council on 31 March 2020, the final date of submission of the electronic budget documents and corresponding electronic returns is Wednesday, 01 April 2020.*
- *Section 24(3) of the MFMA, read together with regulation 20(1), requires that the approved annual budget must be submitted to both National Treasury and the relevant provincial treasury within ten working days after the council has approved the annual budget. If the council only approves the annual budget on 30 June 2019, the final date for such a submission is Friday, 12 June 2020, otherwise an earlier date applies.*

The 2020/21 Tabled Budget is a statement of commitment by Nkandla Municipality, proposing a total budget of R231 million, comprising R46 million for capital and R185 million operating budget.

The budget has been prepared in terms of the Municipal Budget and Reporting Regulations (MBRR). The tabling of budget is as a journey towards consultation processes with communities throughout the municipal area and all other relevant stakeholders as per budget process plan adopted by council. Comments and inputs from various stakeholders have been considered during the consultation process after which the budget is presented by His Worship, Mayor Cllr AT Ntuli before the municipal council.

OPERATING BUDGET

Tariff of Charges

The following are proposed tariff increases and other allocations as indicated below:

Assessment Rates	7%
Electricity	13.07%
Refuse Removal	7%

Revenue from property rates is proposed to increase by only 20% from the 2019/20 adjusted budget of R40.3 million to R48.3 million. The municipality has a new valuation roll that has been implemented from the 1st July 2019 and supplementary valuation roll. The values of properties as per the supplement valuation roll has increased and this increase has resulted in our revenue from property rates increasing drastically. Public Works who contributes more than 78% of our property rates revenue has met with the municipality to discuss the values of properties and consensus was reached. The total property rates revenue is projected at R48.3 million in the 2020/21 financial year.

Category of Property (Description)	Randange	Amount
Agriculture (AGR)	0.0183	R3 538 649
Business and commercial properties (BUS)	0.0141	R15 351 735
Place of Worship (WOR)	0.0000 (100% exempted)	R 0
Protected Areas Property (PRO)	0.0000 (100 % exempted)	R 0
Public Benefit Organisation Property (PBO)	0.0000	R 0
Public Service Infrastructure (PSI)	0.0000	R 0
Residential Property (RES)	0.0428	R8 475 313
Specialized Property	0.0000	R 0
State Owned Property (STA)	0.0183 (Phase in exemption applies)	R 20 546 508
State Trust Land (STL)	0.0000	R 0
Vacant Land (VAC)	0.0183	R370 721
Multiple Use Property (MUP)	Dominant use ratio will apply	R 0

Total grant allocations to fund operating budget are expected to be R109.5 million, being the equitable share, the Finance Management Grant (FMG) and various provincial allocations.

The equitable share allocation to be received from National Government has increased by R5.5 million from R96.9 million to R102.4 million.

The total budgeted revenue for the 2020/21 financial year is estimated at R185.4 million.

ALIGNMENT WITH NATIONAL AND PROVINCIAL PRIORITIES

The Nkandla Municipality's IDP and medium-term budget aligns with national and provincial initiatives to ensure optimal impact from combined effort of government. The Municipality is confident that this budget is structured to give effect to the strategic priorities and support long-term sustained growth and development in line with National and Provincial objectives.

The following priorities are part of National Government's framework to enhance the social, cultural, and economic welfare of all South Africans.

- Expanding investment in the built environment and increasing access to basic services
- Enhancing skills and quality of education
- Reducing levels of crime and enhancing citizen safety
- Improving the provision of healthcare and broadening programmes
- Sustaining employment growth through increased public investment spending

The 2020/21 medium term budget seeks to address a number of these priorities by, amongst others, wider provision of municipal services, free basic services for indigents, initiatives to encourage capital spending to provide a vast public infrastructure.

BUDGET TABLES AND RELATED CHARTS

KZN286 Nkandla - Table A1 Budget Summary

Description	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Financial Performance										
Property rates	**18 835**	20 777	24 792	21 350	40 250	40 250	40 250	48 283	50 504	52 827
Service charges	9 329	10 449	13 712	15 320	19 320	19 320	19 320	21 995	23 170	24 389
Investment revenue	–	835	1 428	1 300	1 300	1 300	1 300	1 850	1 950	2 500
Transfers recognised - operational	–	112 350	124 853	106 697	103 433	103 433	103 433	109 463	113 171	121 964
Other own revenue	572	1 628	1 878	3 606	3 846	3 846	3 296	4 214	4 523	5 581
Total Revenue (excluding capital transfers and contributions)	28 736	146 039	166 663	148 273	168 149	168 149	167 599	185 805	193 318	207 262
Employee costs	40 337	44 208	47 795	50 338	47 074	47 074	47 074	54 545	58 173	62 117
Remuneration of councillors	–	8 973	9 422	9 623	10 223	10 223	10 223	11 245	11 670	12 506
Depreciation & asset impairment	12 307	14 352	17 466	14 000	16 138	16 138	16 138	17 000	18 000	19 000
Finance charges	–	–	–	–	–	–	–	–	–	–
Materials and bulk purchases	12 721	19 327	19 587	20 077	20 433	20 433	20 433	23 011	25 200	27 444
Transfers and grants	7 436	–	1 500	1 750	1 750	1 750	1 750	2 500	2 500	2 500
Other expenditure	48 842	56 597	69 517	59 538	69 415	69 415	69 415	73 154	74 400	79 300
Total Expenditure	121 643	143 458	165 287	155 325	165 032	165 032	165 032	181 456	189 942	202 867
Surplus/(Deficit)	(92 907)	2 581	1 377	(7 053)	3 116	3 116	2 566	4 349	3 375	4 394
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	23 170	49 945	39 834	43 328	43 328	43 328	33 506	38 365	39 580
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(92 907)	25 751	51 322	32 781	46 444	46 444	45 894	37 855	41 740	43 974
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(92 907)	25 751	51 322	32 781	46 444	46 444	45 894	37 855	41 740	43 974
Capital expenditure & funds sources										
Capital expenditure	**39 535**	19 795	44 680	51 135	50 674	50 674	50 674	46 080	48 384	50 803
Transfers recognised - capital	**39 795**	19 795	49 945	39 834	43 328	43 328	43 328	33 506	38 365	39 580
Borrowing	**–**	–	–	–	–	–	–	–	–	–
Internally generated funds	**857**	244	6 255	11 301	7 346	7 346	7 346	12 574	10 019	11 223
Total sources of capital funds	**40 652**	20 039	56 200	51 135	50 674	50 674	50 674	46 080	48 384	50 803
Financial position										
Total current assets	**9 198**	10 152	32 627	64 277	62 964	62 964	62 964	20 706	22 087	21 455
Total non current assets	**353 581**	358 509	374 612	440 688	440 688	440 688	440 688	468 330	497 978	527 537
Total current liabilities	**–**	28 585	23 542	18 870	18 576	18 576	18 576	17 080	18 690	19 100
Total non current liabilities	**6 653**	7 272	6 717	7 721	7 668	7 668	7 668	7 400	7 100	6 800
Community wealth/Equity	**–**	–	–	478 374	477 408	477 408	477 408	464 556	494 275	523 092
Cash flows										
Net cash from (used) operating	**36 832**	189 152	200 263	45 984	43 798	43 798	43 798	37 770	39 517	41 336
Net cash from (used) investing	**(40 507)**	(20 039)	(50 300)	(43 385)	(43 385)	(43 385)	(43 385)	(36 799)	(37 935)	(39 649)
Net cash from (used) financing	**–**	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	**807**	169 919	150 770	9 417	5 681	5 681	5 681	6 239	7 820	9 508
Cash backing/surplus reconciliation										
Cash and investments available	**–**	–	–	9 417	8 623	8 623	8 623	6 239	7 820	9 508
Application of cash and investments	**(8 850)**	18 857	(15 327)	8 550	8 256	8 256	(25 133)	5 303	7 067	9 396
Balance - surplus (shortfall)	**8 850**	(18 857)	15 327	867	367	367	33 756	936	753	112
Asset management										
Asset register summary (WDV)	**364 136**	381 319	398 123	440 688	440 688	440 688	440 688	468 330	497 978	527 537
Depreciation	**12 307**	14 267	13 000	14 000	14 000	14 000	14 000	17 000	18 000	19 000
Renewal and Upgrading of Existing Assets	**–**	–	–	–	–	–	–	–	–	–
Repairs and Maintenance	**4 419**	11 918	8 500	7 077	8 845	8 861	8 861	7 011	8 200	9 444
Free services										
Cost of Free Basic Services provided	**–**	–	–	–	–	–	2 500	2 500	2 500	2 500
Revenue cost of free services provided	**2 941**	2 435	5 677	7 580	12 880	12 880	12 750	12 750	15 750	18 750
Households below minimum service level										
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–

KZN286 Nkandla - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional										
Governance and administration		**103 597**	**135 733**	**165 348**	**178 730**	**192 850**	**192 850**	**194 952**	**205 940**	**219 371**
Executive and council		–	–	–	–	–	–	–	–	–
Finance and administration		103 597	135 733	165 348	178 730	192 850	192 850	194 952	205 940	219 371
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**4 375**	**974**	**906**	**1 217**	**1 217**	**1 217**	**2 364**	**2 573**	**3 081**
Community and social services		4 375	974	906	1 200	1 200	1 200	2 264	2 433	2 881
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	–	–	17	17	17	100	140	200
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**40 801**	**169**	**2 836**	**40**	**40**	**40**	**–**	**–**	**–**
Planning and development		40 801	169	2 836	–	–	–	–	–	–
Road transport		–	–	–	40	40	40	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**9 329**	**10 951**	**15 790**	**15 320**	**15 320**	**15 320**	**21 995**	**23 170**	**24 389**
Energy sources		8 595	10 449	15 051	14 500	14 500	14 500	21 195	22 170	23 189
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		734	502	739	820	820	820	800	1 000	1 200
Other	4	**–**	**–**	**275**	**–**	**–**	**–**	**–**	**–**	**–**
Total Revenue - Functional	2	**158 102**	**147 827**	**185 154**	**195 307**	**209 427**	**209 427**	**219 311**	**231 683**	**246 842**
Expenditure - Functional										
Governance and administration		**64 173**	**89 861**	**113 208**	**95 047**	**95 047**	**95 047**	**108 510**	**115 629**	**124 673**
Executive and council		29 491	28 514	25 996	30 712	30 712	30 712	32 213	40 690	43 695
Finance and administration		34 681	61 347	87 212	64 335	64 335	64 335	76 297	74 939	80 978
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**–**	**24 149**	**36 001**	**20 837**	**20 837**	**20 837**	**26 286**	**28 320**	**30 089**
Community and social services		–	24 149	36 001	20 837	20 837	20 837	26 286	28 320	30 089
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**36 467**	**19 243**	**14 483**	**26 441**	**37 148**	**37 148**	**29 183**	**28 320**	**30 089**
Planning and development		36 467	19 243	14 483	26 441	37 148	37 148	29 183	28 320	30 089
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**–**	**11 076**	**13 722**	**13 000**	**13 000**	**13 000**	**17 478**	**17 674**	**18 017**
Energy sources		–	11 076	13 100	13 000	13 000	13 000	17 478	17 674	18 017
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		–	–	622	–	–	–	–	–	–
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Expenditure - Functional	3	**100 640**	**144 328**	**177 414**	**155 325**	**166 032**	**166 032**	**181 456**	**189 942**	**202 867**
Surplus/(Deficit) for the year		**57 462**	**3 498**	**7 740**	**39 981**	**43 394**	**43 394**	**37 855**	**41 740**	**43 974**

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes

2. Total Revenue by functional classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)

3. Total Expenditure by Functional Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)

4. All amounts must be classified under a functional classification . The GFS function 'Other' is only for Abbatoirs, Air Transport, Forestry, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification.

KZN286 Nkandla - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		–	–	–	–	–	–	–	–	–
Vote 2 - OFFICE OF THE MUNICIPAL MANAGER		–	5	–	–	–	–	–	–	–
Vote 3 - BUDGET AND TREASURY		103 485	135 733	112 177	138 297	146 183	146 183	167 241	173 945	186 781
Vote 4 - CORPORATE SERVICES		112	–	–	–	–	–	–	–	–
Vote 5 - COMMUNITY SERVICES		4 375	1 142	8 688	1 656	1 896	1 896	1 764	1 873	2 281
Vote 6 - TECHNICAL SERVICES		50 130	10 951	65 735	55 354	61 348	61 348	50 306	55 865	57 780
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	**158 102**	**147 831**	**186 600**	**195 307**	**209 427**	**209 427**	**219 311**	**231 683**	**246 842**
Expenditure by Vote *to be appropriated*	1									
Vote 1 - EXECUTIVE AND COUNCIL		29 016	8 973	10 814	9 973	10 573	10 573	12 995	12 370	13 606
Vote 2 - OFFICE OF THE MUNICIPAL MANAGER		–	19 541	15 182	20 435	22 449	22 449	22 253	24 495	25 900
Vote 3 - BUDGET AND TREASURY		35 157	37 164	28 154	35 661	35 811	35 811	44 631	53 869	58 217
Vote 4 - CORPORATE SERVICES		19 208	23 463	36 993	28 572	30 249	30 249	31 473	24 495	25 900
Vote 5 - COMMUNITY SERVICES		24 149	19 541	20 038	20 685	24 159	24 159	27 345	24 495	25 900
Vote 6 - TECHNICAL SERVICES		36 467	30 319	28 205	40 000	42 791	42 791	42 759	50 217	53 345
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	**143 997**	**138 999**	**139 386**	**155 325**	**166 032**	**166 032**	**181 456**	**189 942**	**202 867**
Surplus/(Deficit) for the year	2	**14 105**	**8 832**	**47 213**	**39 981**	**43 394**	**43 394**	**37 855**	**41 740**	**43 974**

References

1. Insert 'Vote'; e.g. department, if different to functional classification structure

2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)

3. Assign share in 'associate' to relevant Vote

check Surplus/(Deficit) for the year	-	-	-	-	-	-	-	-	-

KZN286 Nkandla - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source											
Property rates	2	18 835	20 777	24 792	21 350	40 250	40 250	40 250	48 283	50 504	52 827
Service charges - electricity revenue	2	8 595	9 686	12 965	14 500	18 500	18 500	18 500	21 195	22 170	23 189
Service charges - water revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	2	734	763	746	820	820	820	820	800	1 000	1 200
Rental of facilities and equipment			240	157	1 200	1 200	1 200	1 200	1 300	1 500	2 000
Interest earned - external investments			835	1 428	1 300	1 300	1 300	1 300	1 850	1 950	2 500
Interest earned - outstanding debtors			1 303	1 325	1 400	1 400	1 400	1 400	1 850	1 950	2 500
Dividends received					–	–	–	–	–	–	–
Fines, penalties and forfeits			13	78	17	137	137	137	24	25	26
Licences and permits			4	4	40	160	160	160	265	268	270
Agency services					–	–	–	–	–	–	–
Transfers and subsidies			112 350	124 853	106 697	103 433	103 433	103 433	109 463	113 171	121 964
Other revenue	2	572			399	399	399	399	775	780	785
Gains			68	314	550	550	550		–	–	–
Total Revenue (excluding capital transfers and contributions)		**28 736**	**146 039**	**166 663**	**148 273**	**168 149**	**168 149**	**167 599**	**185 805**	**193 318**	**207 262**
Expenditure By Type											
Employee related costs	2	40 337	44 208	47 795	50 338	47 074	47 074	47 074	54 545	58 173	62 117
Remuneration of councillors			8 973	9 422	9 623	10 223	10 223	10 223	11 245	11 670	12 506
Debt impairment	3		3 058	1 560	4 000	2 000	2 000	2 000	2 500	2 700	3 000
Depreciation & asset impairment	2	12 307	14 352	17 466	14 000	16 138	16 138	16 138	17 000	18 000	19 000
Finance charges											
Bulk purchases	2	12 721	11 076	11 087	13 000	15 000	15 000	15 000	16 000	17 000	18 000
Other materials	8		8 252	8 500	7 077	5 433	5 433	5 433	7 011	8 200	9 444
Contracted services		–	8 440	11 464	25 114	29 878	29 878	29 878	41 533	42 200	44 500
Transfers and subsidies		7 436	–	1 500	1 750	1 750	1 750	1 750	2 500	2 500	2 500
Other expenditure	4, 5	48 842	45 099	56 493	30 424	37 537	37 537	37 537	29 121	29 500	31 800
Losses											
Total Expenditure		**121 643**	**143 458**	**165 287**	**155 325**	**165 032**	**165 032**	**165 032**	**181 456**	**189 942**	**202 867**
Surplus/(Deficit)		**(92 907)**	**2 581**	**1 377**	**(7 053)**	**3 116**	**3 116**	**2 566**	**4 349**	**3 375**	**4 394**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			23 170	49 945	39 834	43 328	43 328	43 328	33 506	38 365	39 580
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	6	–									
Transfers and subsidies - capital (in-kind - all)											
Surplus/(Deficit) after capital transfers & contributions		**(92 907)**	**25 751**	**51 322**	**32 781**	**46 444**	**46 444**	**45 894**	**37 855**	**41 740**	**43 974**
Taxation											
Surplus/(Deficit) after taxation		**(92 907)**	**25 751**	**51 322**	**32 781**	**46 444**	**46 444**	**45 894**	**37 855**	**41 740**	**43 974**
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		**(92 907)**	**25 751**	**51 322**	**32 781**	**46 444**	**46 444**	**45 894**	**37 855**	**41 740**	**43 974**
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		**(92 907)**	**25 751**	**51 322**	**32 781**	**46 444**	**46 444**	**45 894**	**37 855**	**41 740**	**43 974**

References

1. Classifications are revenue sources and expenditure type

2. Detail to be provided in Table SA1

3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment

4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs

5. Repairs & maintenance detailed in Table A9 and Table SA34c

6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)

7. Equity method (Includes Joint Ventures)

8. All materials not part of 'bulk' e.g road making materials, pipe, cable etc.

Operating Revenue Framework

Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA). In addition to this rebate, a further R65 000 reduction on the market value of a property will be granted in terms of the Rates Policy and 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy.

Strategies put in place to improve credit control and revenue enhancement.

All property rates accountholders who owe more than R 10 000 are barred/restricted from purchasing electricity until a favourable arrangement has been entered into with Nkandla Local Municipality. All businesses that are not honouring their monthly payments are given 7 days' notice to disconnect services. Services (electricity) are reconnected upon full payment of the outstanding amount.

All prepayment electricity meter accountholders who owe more than R 10 000 on Property Rates shall have their electricity cut off until a favourable arrangement has been entered into with the municipality as per Credit control and debt management policy. The vending machines have been programmed to deduct a certain percentage towards property rates account upon purchase of electricity tokens. The rationale behind this is to treat conventional and prepaid consumers equitably and fairly. Moreover, the municipality runs weekly audit on at least 10 customers whose name appears on the list that have not bought electricity for the past 60 days. They will be given 7 days notices and then have their electricity services disconnected.

Service charges - electricity

Service charges electricity revenue has been budgeted to increase by a total of R2.7 million from R18.5 million in 2019/20 adjustment budget to R21.2 million in 2020/21. The increase is 20 per cent (This is not a tariff increase). This increase has considered developments taking place in Nkandla, e.g Sasol Garage that has started operating, Engen Garage that is also opening soon, new businesses and households relocating to Nkandla Town. This is also reflective of the budgeted tariff

increase after considering inflation, and consumer affordability. The increase in electricity tariffs is in line with NERSA guidelines.

Service charges - refuse

Service charges refuse revenue has been budgeted to decrease by R20 000 from R820 000 in 2019/20 to R800 000 in 2020/21. The percentage decrease for total revenue for this category is expected to be 2.4%. The decrease in this category of revenue is due to Council Resolution to grant all indigent households free services for refuse removal and expedition of registering all qualifying households for free basic services.

Interest earned on external investments

The municipality has budgeted R1.9 million for Interest earned on external investments in 2020/21 to be realized from call account deposits for conditional grants not yet utilized. This reflects an increase of R600 000 from R1.3 million in 2019/20 financial year. This is due to Municipality investing excess funds to high interest earning investments. MIG and INEP grant which will be temporally invested whilst not yet utilized. These call accounts deposits are not reflected in Budget Table A6 since deposits are fully utilized at the end of the financial year.

Interest earned on outstanding debtors

The municipality has budgeted R1.9 million for Interest earned on outstanding debtors in 2020/21 to be realized from customers not honoring their accounts in time. Through the implementation of credit control and debt collection policy, the credit extended to debtors will decrease thereby decreasing overall number of debtors and effectively interest on long outstanding debtors.

Fines, penalties and forfeits

The municipality has budgeted an amount of R50 000 for fines, penalties, and forfeits. This amount will be mostly derived from traffic fines. This is a new source of income emanating from revenue enhancement strategy. There is Traffic Unit that is now functional and is issuing traffic fines to non-compliant motorists.

Licenses and permits

License and permits revenue have been budgeted to decrease by R105 000 in 2020/21 from R160 000 in 2019/20 to R265 000 in 2020/21. The decrease is due to overestimated revenue in the previous financial year compared to actual amount earned which is more aligned with the next year's budget.

Other income

The budgeted *Other income* revenue has increased by R376 000 in 2020/21 from R399 000 in 2019/20 to R755 000 in 2020/21. This revenue includes smaller miscellaneous income like tractor hire, etc.

Operating Expenditure Framework

Employee related costs has increased by 6.25 percent as per the communication by South African Local Government Bargaining Council. The consumer price index for the next financial year is projected to be 4.9 percent.

The municipality has budgeted to increase the expenditure for the Employee related costs by R7.5 million from R47.1 million in 2019/20 to R54.5 million in 2020/21. The municipality has budgeted for additional vacant positions which were not budgeted for in 2019/20. Employee related costs and Councillors' remuneration as a percentage of total operating expenditure is 36.2 percent. The norm is 25 to 40 percent. The municipality is looking at its organogram to mitigate possible overstaffing and/or inefficiencies.

Expenditure of Councillors' Allowances is budgeted to increase from R10.2 million to R11.2 million in the 2020/21 financial year. This is an increase of 10% which is in line with the Gazette for Councillors Upper Limits to align the budgeted amount with Gazetted Upper Limits and anticipated increase in 2021/22.

Debt impairment has been budgeted at R2.5 million in 2020/21. This reflects an increase in debt impairment increase of 25 % from R2 million in 2019/20 to R2.5 million in 2020/21. The debt impairment budget was adjusted upward to reflect an increase in inflation and tariff. *Debt impairment* as a percentage of billable revenue amounts to 4 per cent for 2020/21 which has decreased from 9.12 % in 2019/20.

Depreciation has been budgeted to increase by R862 000 (5.3%) from R16.1 million in 2019/20 to R18 million in 2020/21 which is based on the asset register and the anticipated new capital acquisitions.

Bulk purchases have been budgeted to increase by R1 million (6.7%) from R15 million in 2019/20 to R16 million in 2020/21. Eskom has been charging the municipality electricity usage at an incorrect tariff which is high. The engagement between Eskom and Municipality resulted in a lower tariff.

The budgeted ***Contracted services*** expenditure has increased by R11 million (39%) from R30 million in 2019/20 to R41 million in 2020/21. The increase is reflective of items which are now budgeted under Contracted services which were previously budgeted as other expenditure.

Other expenditure has been budgeted to decrease by R8.4 million (22.4%) from R37.5 million in 2019/20 to R29.1 million in 2020/21. The decrease is reflective of amounts which were previously budgeted as contracted services and now been aligned with MSCOA classification.

Table A5 Budgeted Capital Expenditure by vote, standard classification, and funding sources.

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure - Vote											
Multi-year expenditure *to be appropriated*	2										
Vote 1 - EXECUTIVE AND COUNCIL		–	–	–	–	–	–	–	–	–	–
Vote 2 - OFFICE OF THE MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–
Vote 3 - BUDGET AND TREASURY		801	189	1 125	1 230	1 610	1 610	1 610	2 500	2 625	2 756
Vote 4 - CORPORATE SERVICES		316	55	1 045	930	700	700	700	1 180	1 239	1 301
Vote 5 - COMMUNITY SERVICES		1 006	2 716	2 845	3 820	1 560	1 560	1 560	3 800	3 990	4 190
Vote 6 - TECHNICAL SERVICES		38 530	17 079	51 185	45 155	46 804	46 804	46 804	38 600	40 530	42 556
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	**40 652**	**20 039**	**56 200**	**51 135**	**50 674**	**50 674**	**50 674**	**46 080**	**48 384**	**50 803**
Single-year expenditure *to be appropriated*	2										
Vote 1 - EXECUTIVE AND COUNCIL		–	–	–	–	–	–	–	–	–	–
Vote 2 - OFFICE OF THE MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–
Vote 3 - BUDGET AND TREASURY		–	–	–	–	–	–	–	–	–	–
Vote 4 - CORPORATE SERVICES		–	–	–	–	–	–	–	–	–	–
Vote 5 - COMMUNITY SERVICES		–	–	–	–	–	–	–	–	–	–
Vote 6 - TECHNICAL SERVICES		–	–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Capital Expenditure - Vote		**40 652**	**20 039**	**56 200**	**51 135**	**50 674**	**50 674**	**50 674**	**46 080**	**48 384**	**50 803**
Capital Expenditure - Functional											
Governance and administration		**1 006**	**2 716**	**3 095**	**3 881**	**2 586**	**2 586**	**2 586**	**7 674**	**8 057**	**8 460**
Executive and council				250							
Finance and administration		1 006	2 716	2 845	3 881	2 586	2 586	2 586	7 674	8 057	8 460
Internal audit											
Community and public safety		**–**	**–**	**–**	**4 070**	**17 088**	**17 088**	**17 088**	**14 806**	**15 546**	**16 324**
Community and social services					3 820	13 034	13 034	13 034	10 406	10 926	11 473
Sport and recreation					–	3 494	3 494	3 494	3 000	3 150	3 308
Public safety					250	560	560	560	1 400	1 470	1 544
Housing						–	–	–			
Health						–	–	–			
Economic and environmental services		**20 530**	**17 079**	**22 795**	**24 909**	**13 300**	**13 300**	**13 300**	**12 000**	**12 600**	**13 230**
Planning and development				100	75	–	–	–			
Road transport		20 530	17 079	22 695	24 834	13 300	13 300	13 300	12 000	12 600	13 230
Environmental protection						–	–	–			
Trading services		**18 000**	**–**	**18 790**	**18 275**	**17 700**	**17 700**	**17 700**	**11 600**	**12 180**	**12 789**
Energy sources		18 000		18 000	17 000	17 300	17 300	17 300	11 400	11 970	12 569
Water management						–	–	–			
Waste water management						–	–	–			
Waste management				790	1 275	400	400	400	200	210	221
Other						**–**	**–**	**–**			
Total Capital Expenditure - Functional	3	**39 535**	**19 795**	**44 680**	**51 135**	**50 674**	**50 674**	**50 674**	**46 080**	**48 384**	**50 803**
Funded by:											
National Government		39 795	19 795	49 945	39 834	43 328	43 328	43 328	33 506	38 365	39 580
Provincial Government											
District Municipality											
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)											
Transfers recognised - capital	4	**39 795**	**19 795**	**49 945**	**39 834**	**43 328**	**43 328**	**43 328**	**33 506**	**38 365**	**39 580**
Borrowing	6										
Internally generated funds		857	244	6 255	11 301	7 346	7 346	7 346	12 574	10 019	11 223
Total Capital Funding	7	**40 652**	**20 039**	**56 200**	**51 135**	**50 674**	**50 674**	**50 674**	**46 080**	**48 384**	**50 803**

The municipality has budgeted R12 million for road and infrastructure, R11.4 million for electrical infrastructure in 2020/21 and R14.8 million for other assets. The total capital budget is R46.1 million.

The municipality has considered the multi-year appropriations during the 2020/21 budget process which aims to:

- Lock the council into funding the full cost of large capital projects to ensure their full completion.
- Facilitate the forward planning of capital projects and programmes.
- Enable the municipality to initiate procurement processes for capital projects in the two outer years of the MTREF and ensure improved levels of capital spending: and
- Enable funding for such capital projects to be brought forward in terms of Section 31 of the MFMA to facilitate more rapid project implementation.

This is reflected in the Capital Investment Plan of the municipality.

Repairs and Maintenance

The Repairs and Maintenance has been budgeted to increase by R1.6 million from R5.4 million in 2019/20 to R7 million in 2020/21. Repairs and maintenance budget represent 4 percent of the Property, Plant and Equipment (PPE) value of R316.4 million reflected in the audited 2018/19 AFS, which is below the National Treasury guideline of 8 percent as stipulated in MFMA Circular No. 55. The small percentage of Repairs and maintenance in relation to PPE amongst other factors is contributed to the following:

- The PPE of the municipality is R316.4 million as per 2018/1 Audited AFS and substantial portion of this amount is municipal vacant land which is valued at R99.39 million. And there is no repairs and maintenance towards the vacant land.
- The municipality has budgeted R8.5 million in 2018/19 and the actual amount spent was R12.4 million which indicates that the Municipality spends at appropriate or required levels on its repairs to existing assets.
- The required norm of 8% which equates to approximately R25.3 million is not realistic to the municipality at this stage.

The municipality appreciates the fact that asset management is a strategic imperative that needs to be prioritised as a spending objective in the municipal budget.

KZN286 Nkandla - Table A6 Budgeted Financial Position

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
ASSETS											
Current assets											
Cash					9 417	8 623	8 623	8 623	6 239	7 820	9 508
Call investment deposits	1										
Consumer debtors	1	9 198	10 152	32 627	53 760	53 241	53 241	53 241	13 167	12 767	10 247
Other debtors					1 100	1 100	1 100	1 100	1 300	1 500	1 700
Current portion of long-term receivables											
Inventory	2										
Total current assets		**9 198**	**10 152**	**32 627**	**64 277**	**62 964**	**62 964**	**62 964**	**20 706**	**22 087**	**21 455**
Non current assets											
Long-term receivables											
Investments											
Investment property					4 507	4 507	4 507	4 507	4 275	4 044	3 804
Investment in Associate											
Property, plant and equipment	3	353 581	358 509	374 612	435 094	435 094	435 094	435 094	463 172	493 255	523 258
Biological											
Intangible					1 087	1 087	1 087	1 087	883	679	475
Other non-current assets											
Total non current assets		**353 581**	**358 509**	**374 612**	**440 688**	**440 688**	**440 688**	**440 688**	**468 330**	**497 978**	**527 537**
TOTAL ASSETS		**362 778**	**368 660**	**407 239**	**504 965**	**503 652**	**503 652**	**503 652**	**489 036**	**520 065**	**548 992**
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	–	–	–	–	–	–	–	–	–	–
Consumer deposits											
Trade and other payables	4	–	28 585	23 542	18 800	18 506	18 506	18 506	17 000	18 600	19 000
Provisions					70	70	70	70	80	90	100
Total current liabilities		**–**	**28 585**	**23 542**	**18 870**	**18 576**	**18 576**	**18 576**	**17 080**	**18 690**	**19 100**
Non current liabilities											
Borrowing		–	–	–	–	–	–	–	–	–	–
Provisions		6 653	7 272	6 717	7 721	7 668	7 668	7 668	7 400	7 100	6 800
Total non current liabilities		**6 653**	**7 272**	**6 717**	**7 721**	**7 668**	**7 668**	**7 668**	**7 400**	**7 100**	**6 800**
TOTAL LIABILITIES		**6 653**	**35 857**	**30 259**	**26 591**	**26 244**	**26 244**	**26 244**	**24 480**	**25 790**	**25 900**
NET ASSETS	5	**356 125**	**332 803**	**376 980**	**478 374**	**477 408**	**477 408**	**477 408**	**464 556**	**494 275**	**523 092**
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)					478 374	477 408	477 408	477 408	464 556	494 275	523 092
Reserves	4	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	5	**–**	**–**	**–**	**478 374**	**477 408**	**477 408**	**477 408**	**464 556**	**494 275**	**523 092**

KZN286 Nkandla - Table A7 Budgeted Cash Flows

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		17 083	20 777	24 792	25 695	33 810	33 810	33 810	40 075	41 918	43 846
Service charges		9 269	9 686	12 965	13 788	15 130	15 130	15 130	18 256	19 231	20 243
Other revenue		1 298	954	917	1 321	1 545	1 545	1 545	1 896	2 063	2 470
Transfers and Subsidies - Operational	1	84 486	89 180	93 402	106 697	103 433	103 433	103 433	109 463	113 171	121 964
Transfers and Subsidies - Capital	1	39 796	112 350	124 853	39 834	43 328	43 328	43 328	33 506	38 365	39 580
Interest		664	1 303	1 325	1 300	2 420	2 420	2 420	3 330	3 510	4 500
Dividends				–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		(115 765)	(45 099)	(56 493)	(140 901)	(154 117)	(154 117)	(154 117)	(166 256)	(176 242)	(188 767)
Finance charges					–	–	–	–	–	–	–
Transfers and Grants	1			(1 500)	(1 750)	(1 750)	(1 750)	(1 750)	(2 500)	(2 500)	(2 500)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**36 832**	**189 152**	**200 263**	**45 984**	**43 798**	**43 798**	**43 798**	**37 770**	**39 517**	**41 336**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		1 198		–	750	750	750	750	–	–	–
Decrease (increase) in non-current receivables				5 900	7 000	7 000	7 000	7 000	9 281	10 449	11 154
Decrease (increase) in non-current investments									–	–	–
Payments											
Capital assets		(41 705)	(20 039)	(56 200)	(51 135)	(51 135)	(51 135)	(51 135)	(46 080)	(48 384)	(50 803)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(40 507)**	**(20 039)**	**(50 300)**	**(43 385)**	**(43 385)**	**(43 385)**	**(43 385)**	**(36 799)**	**(37 935)**	**(39 649)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									–	–	–
Borrowing long term/refinancing									–	–	–
Increase (decrease) in consumer deposits									–	–	–
Payments											
Repayment of borrowing									–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**(3 675)**	**169 113**	**149 963**	**2 599**	**413**	**413**	**413**	**971**	**1 582**	**1 687**
Cash/cash equivalents at the year begin:	2	**4 482**	**807**	**807**	**6 818**	**5 268**	**5 268**	**5 268**	**5 268**	**6 239**	**7 820**
Cash/cash equivalents at the year end:	2	**807**	**169 919**	**150 770**	**9 417**	**5 681**	**5 681**	**5 681**	**6 239**	**7 820**	**9 508**

Funding of budget

The municipality has funded the budget in accordance with the legal requirements of the MFMA. The collection rates used by the municipality on Property rates is 86 percent which is the main contributor to the total revenue generated by municipality.

Budgeted cash flows in Table A7 is R6.2 million which include the Cash and cash equivalent of R5.3 million at the beginning of 2020/21. The projected cash flow at the end of 2019/20 is R15 million as shown on the table below. The municipality has budgeted for a total operating expenditure (excluding non-cash items) of R162 million as per Table A4. Suppliers and employees as per Table A7 Budgeted cash flows amount to R166.3 million. The municipality has budgeted R4.3 million to reduce prior creditors (accrued creditors) in 2020/21. The 2019/20 unspent conditional grants are fully cash-backed in a separate call account held at Nedbank. The above-mentioned explanation clearly demonstrate that the 2020/21 approved budget is funded and funded from the realistic sources of revenue.

KZN286 Nkandla - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash and investments available											
Cash/cash equivalents at the year end	1	807	169 919	150 770	9 417	5 681	5 681	5 681	6 239	7 820	9 508
Other current investments > 90 days		(807)	(169 919)	(150 770)	0	2 942	2 942	2 942	0	(0)	0
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**–**	**–**	**–**	**9 417**	**8 623**	**8 623**	**8 623**	**6 239**	**7 820**	**9 508**
Application of cash and investments											
Unspent conditional transfers		–	1 991	1 742	1 742	1 448	1 448	1 448	1 500	1 700	2 000
Unspent borrowing		–	–	–	–	–	–		–	–	–
Statutory requirements	2			(5 900)							
Other working capital requirements	3	(8 850)	16 866	(11 169)	6 808	6 808	6 808	(26 581)	3 803	5 367	7 396
Other provisions											
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		**(8 850)**	**18 857**	**(15 327)**	**8 550**	**8 256**	**8 256**	**(25 133)**	**5 303**	**7 067**	**9 396**
Surplus(shortfall)		**8 850**	**(18 857)**	**15 327**	**867**	**367**	**367**	**33 756**	**936**	**753**	**112**

KZN286 Nkandla - Table A9 Asset Management

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CAPITAL EXPENDITURE										
Total New Assets	1	**38 530**	**17 079**	**41 485**	**41 239**	**41 239**	**41 239**	**46 080**	**48 384**	**50 803**
Roads Infrastructure		20 530	17 079	22 695	22 834	22 834	22 834	10 000	10 500	11 025
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		18 000	–	18 000	17 500	17 500	17 500	11 000	11 550	12 128
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	790	905	905	905	200	210	221
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***38 530***	***17 079***	***41 485***	***41 239***	***41 239***	***41 239***	***21 200***	***22 260***	***23 373***
Total Capital Expenditure	4	**38 530**	**17 079**	**41 485**	**41 239**	**41 239**	**41 239**	**46 080**	**48 384**	**50 803**
Roads Infrastructure		20 530	17 079	22 695	22 834	22 834	22 834	10 000	10 500	11 025
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		18 000	–	18 000	17 500	17 500	17 500	11 000	11 550	12 128
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	790	905	905	905	200	210	221
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***38 530***	***17 079***	***41 485***	***41 239***	***41 239***	***41 239***	***21 200***	***22 260***	***23 373***
Community Facilities		–	–	–	–	–	–	6 706	7 041	7 393
Sport and Recreation Facilities		–	–	–	–	–	–	6 400	6 720	7 056
Community Assets		**–**	**–**	**–**	**–**	**–**	**–**	***13 106***	***13 761***	***14 449***
Heritage Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		–	–	–	–	–	–	3 894	4 088	4 293
Housing		–	–	–	–	–	–	–	–	–
Other Assets		**–**	**–**	**–**	**–**	**–**	**–**	***3 894***	***4 088***	***4 293***
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	2 200	2 310	2 426
Intangible Assets		**–**	**–**	**–**	**–**	**–**	**–**	***2 200***	***2 310***	***2 426***
Computer Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**1 180**	**1 239**	**1 301**
Furniture and Office Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**400**	**420**	**441**
Machinery and Equipment		**–**	**–**	**–**	**–**	**–**	**–**	**2 100**	**2 205**	**2 315**
Transport Assets		**–**	**–**	**–**	**–**	**–**	**–**	**2 000**	**2 100**	**2 205**
Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
TOTAL CAPITAL EXPENDITURE - Asset class		**38 530**	**17 079**	**41 485**	**41 239**	**41 239**	**41 239**	**46 080**	**48 384**	**50 803**
ASSET REGISTER SUMMARY - PPE (WDV)	5	364 136	381 319	398 123	440 688	440 688	440 688	468 330	497 978	527 537
Roads Infrastructure		122 151	129 962	136 903	151 867	151 867	151 867	156 492	162 483	167 635
Storm water Infrastructure		49 275	55 977	59 610	69 800	69 800	69 800	71 746	71 742	71 817
Electrical Infrastructure		9 166	8 554	9 109	25 554	25 554	25 554	33 246	44 742	56 817
Water Supply Infrastructure						–	–			
Sanitation Infrastructure						–	–			
Solid Waste Infrastructure		1 285	1 071	1 172		–	–			
Rail Infrastructure						–	–			
Coastal Infrastructure						–	–			
Information and Communication Infrastructure						–	–			
Infrastructure		***181 877***	***195 564***	***206 794***	***247 221***	***247 221***	***247 221***	***261 483***	***278 966***	***296 269***
Community Assets		59 046	63 505	69 545	73 620	73 620	73 620	83 000	94 000	105 000
Heritage Assets										
Investment properties		**5 201**	**4 970**	**4 739**	**4 507**	**4 507**	**4 507**	**4 275**	**4 044**	**3 804**
Other Assets		10 899	10 550	9 406						
Biological or Cultivated Assets										
Intangible Assets		1 055	657	900	1 087	1 087	1 087	883	679	475
Computer Equipment		**947**	**732**	**1 000**	**1 350**	**1 350**	**1 350**	**2 000**	**2 300**	**2 600**
Furniture and Office Equipment		**1 160**	**1 014**	**1 100**	**1 550**	**1 550**	**1 550**	**3 000**	**3 200**	**3 500**
Machinery and Equipment		**2 246**	**4 424**	**4 700**	**9 250**	**9 250**	**9 250**	**11 500**	**11 900**	**12 300**
Transport Assets		**1 058**	**514**	**550**	**2 714**	**2 714**	**2 714**	**2 800**	**3 500**	**4 200**
Land		**100 646**	**99 389**	**99 389**	**99 389**	**99 389**	**99 389**	**99 389**	**99 389**	**99 389**
Zoo's, Marine and Non-biological Animals										
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	**364 136**	**381 319**	**398 123**	**440 688**	**440 688**	**440 688**	**468 330**	**497 978**	**527 537**

PART 2 – SUPPORTING DOCUMENTATION

OVERVIEW OF BUDGET PROCESS

Political Oversight of Budget Process

The concept of political oversight over the budget process is an important one and it is the key to ensuring that strategy informs budget.

The political oversight role of the Mayor is contained in Section 53 (1)(a) and (b) of the Municipal Finance Management Act (MFMA). It requires that the Mayor must provide political guidance over the budget process and the priorities that guide the preparation of the budget. It further requires that the Mayor co-ordinates the revision of the IDP and the preparation of the annual budget and to determine how the IDP is to be considered for the purpose of the budget.

The demands on the Municipality to address service delivery backlogs and to improve service delivery to all its citizens, within current financial resources, are challenging. Political oversight of the budget process is therefore essential to ensure that the priorities of the municipality are addressed through budget allocations.

Schedule of Key Deadlines Relating of Budget Process

One of the objectives of the budget timetable is to ensure the development of IDP and the budget and to ensure that a funded budget is tabled for consideration and approval. The timetable schedule for the compilation of the 2020/21 budget cycle was approved by Council during August 2019 in compliance with the MFMA.

Process for Consultations with Stakeholder Groups and Outcomes [MFMA 21(1)(b)]

Section 22 of the MFMA requires that after tabling of the annual budget in Council, the municipality must make public the budget and invite the local communities to submit representations thereon. Accordingly, the tabling of the budget in the Council on 25 March 2020 will be followed by followed by the following activities:

- The summarised budget and consultation meetings in Newsletter
- The budget will be submitted to Provincial and National Treasuries as well as Department of Provincial CoGTA and King Cetshwayo District Municipality.
- The budget will be presented to the IDP Representative Forum
- The budget will be presented to the Ward Committees
- Public meetings will be held in various wards
- The budget will be presented to the Business Community
- The budgeted document will be distributed to libraries and other municipal offices to allow the wide invitation of comments ad representations to the budget.

The public budget road show meetings will take place during April and May 2019. The schedule of budget road shows was publicised in the local newspaper, website, and libraries as well as in the municipal notice boards.

OVERVIEW ALIGNEMENT OF IDP AND BUDGET WITH, MONITORING AND IMPLEMENTATION THROUTH SERVICE DELIVERY BUDGET IMPLEMENTATION PLANS

PURPOSE

This document presents an Integrated Development Plan (IDP) for Nkandla Local Municipality. The IDP is prepared in compliance with the requirements of Chapter 5, particularly Section 25 of Local Government Municipal Systems Act (32 of 2000), which obliges a municipal council to adopt a single, all-inclusive and strategic plan for the development of the municipality, within a prescribed period after the start of its elected term. It outlines a development agenda for the municipality for the next five years.

OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five-year strategic programme of action aimed at setting short, medium, and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership, and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to Nkandla, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that Nkandla strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Nkandla's response to these requirements.

The Constitution requires local government to relate its management, budgeting, and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP but must also conduct its affairs in a manner which is consistent with its IDP.
The municipal development objectives are mainly orientated and aligned to National Key Performance Areas which are the following: -

- Institutional development and transformation
- Basic Service Delivery
- Good Governance and Public Participation
- Local Economic Development
- Financial Viability

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives:

- Provision of quality basic services and infrastructure which includes, amongst others:
- Provide electricity.
- Provide waste removal.
- Provide roads and storm water.
- Provide city planning services; and
- Maintaining the infrastructure of Nkandla.

Economic growth and development that leads to sustainable job creation by:

- Ensuring there is a clear structural plan for Nkandla.
- Ensuring planning processes function in accordance with set timeframes.
- Facilitating the use of labour-intensive approaches in the delivery of services and the building of infrastructure.

3.1 Fight poverty and build clean, healthy, safe, and sustainable communities:

- Effective implementation of the Indigent Policy.
- Working with the provincial department of health to provide primary health care services.
- Extending waste removal services and ensuring effective city cleansing.
- Ensuring all wastewater treatment works are operating optimally.
- Working with strategic partners such as SAPS to address crime.
- Ensuring save working environments by effective enforcement of building and health regulations.
- Promote viable, sustainable communities through proper zoning; and
- Promote environmental sustainability by protecting wetlands and key open spaces.

3.2 Integrated Social Services for empowered and sustainable communities

- Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme

4. Foster participatory democracy and Batho Pele principles through a caring, accessible, and accountable service by:
   - Optimising effective community participation in the ward committee system; and
   - Implementing Batho Pele in the revenue management strategy.

5.1 Promote sound governance through:

- Publishing the outcomes of all tender processes on the municipal website

5.2 Ensure financial sustainability through:

- Reviewing the use of contracted services
- Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan

5.3 Optimal institutional transformation to ensure capacity to achieve set objectives

- Review of the organizational structure to optimize the use of personnel.
- In line with the MSA, the IDP constitutes a single, inclusive strategic plan for Nkandla. The five-year programme responds to the development challenges and opportunities faced by the Nkandla by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

IDP AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN.

The Nkandla's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management, and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan.

- Registration of community needs.
- Compilation of departmental business plans including key performance indicators and targets.
- Financial planning and budgeting process.
- Public participation process.
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2019/20 MTREF, based on the approved 2015/16 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2019/20 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2018/19 Departmental Service Delivery and Budget

Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

The 2020/21 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure, and capital expenditure

COMMUNITY CONSULTATION

The 2020/21 MTREF is published on the municipality's website, and hard copies is made available at customer care offices, municipal notice boards and various libraries for consultation.
All documents in the appropriate format (electronic and printed) are provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

MEASURABLE PERFORMANCE OBJECTIVES

Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, Nkandla municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses, and reviews organisational performance which in turn is directly linked to individual employee's performance.
The performance of Nkandla municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The town therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets, and benchmarks).
- Monitoring (regular monitoring and checking on the progress against plan).
- Measurement (indicators of success).
- Review (identifying areas requiring change and improvement).
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

Free and Subsidised Basic Services

Municipalities play central role in supporting economic development and alleviating poverty. The provision of basic services is a critical input to social well-being and economic activity. Nkandla Municipality comprises of rural areas as well as wide spread of income groups. Due to variation in living environment, the municipal area has several households who currently do not have access to all services.

The basic social package is an affirmation of the Municipality's commitment to push back the frontiers of poverty by providing a social welfare to those residents who cannot afford to pay, because of adverse social and economic realities. The social package will also assist the Municipality in meeting its constitutional obligations.

The estimated cost of social package (income foregone through indigents) amounts to R2 million for the 2020/21 budget year. Details of initiatives carried out by Nkandla Council in this regard are detailed below:

Service	Social Package
Assessment Rates	All residential property owners are exempt from paying rates on the first R15 000 of the property value. All rates levied on properties of which the municipal value is less than R80 000. Indigent residents will receive 100 percent rebates on rates.
Electricity	The first 70kwh of electricity is free to all residents qualified as indigents in terms of the policy
Refuse	Refuse is free to all residents qualified as indigents in terms of the policy. Refuse removal services to a maximum of one removal per household per week.

Other Projects funded by the municipality

Project	Budgeted Amount (R)
Local Economic Development	3 235 000
Youth Development Program	1 300 000
Cultural Development	1 215 000
Sports & Recreation	530 000
Senior Citizens	400 000
Operation Sukuma Sakhe	600 000
Disaster Management	1 149 600
Disability	300 000
Public Participation and IDP	800 000
Communication & Publications	3 000 000
Gender Empowerment & Development	200 000
Mayoral Cup	1 450 000
Total	**14 179 600**

The above-mentioned municipal projects have been set out in terms of section 156(1)(a) and (5) of the Constitution of the Republic of South Africa, 1996.

Although the municipality agree that some of the above mentioned projects are no-priority or core functions of the municipality, however the municipality has not received any assistance from either district municipality, provincial departments or any other organ of states in term of the Inter-Governmental Relations.

OVERVIEW OF BUDGET RELATED POLICIES OVERVIEW AND AMENDMENTS

The Municipality's budget is guided and governed by relevant legislation and budget related policies. The main purpose of budget related policies is to guide the budget process and inform the projections of the medium-term budget.

The following budget related policies, which have been approved by Council or currently under review, are currently in force to ensure an informed smooth budgetary process and financial management of the Municipality in line with the Municipal Finance Management Act, other relevant legislation and Accounting Standards.

Tariff Policy
The current Tariff Policy, which the municipality adopted in terms of section 74 of the Local Government Municipal Systems Act, is currently being reviewed. The policy was submitted to the management for discussion and was submitted to the Executive Committee and Council for approval.

Assessment Rates Policy
Section 3(1) of the Local Government Municipal Rates Act, 6 of 2004, and sections 62(1) of the MFMA determines that a municipality must adopt and implement a rates policy on the levying of rates on rateable properties.

Credit Control, Debt Collection and Customer Care Policy
The Budget and Treasury Office has identified revenue enhancement strategies which were reviewed with the Credit Control, Debt Collection and Customer Care Policy.

Supply Chain Management Policy
The municipality has a Supply Chain Management Policy was adopted by Council and is reviewed every year.

Cash Management and Investment Policy
This policy is due for review to carter for changes envisage in the organisation.

Asset Management Policy
The Budget and Treasury Office is currently busy with the compilation of asset register in terms of GRAP accounting standards, which might result in the Asset Management Policy being reviewed.

Subsistence and Travelling Policy
The implementation of the subsistence and travelling policy has a budgetary implication in appropriation of funds for travelling, accommodation and meals for Municipal Officials and Councillors embarking on business related trips.
Other budget-related policies that have been submitted to Council for approval are the following:

- Tariff Policy
- Debt Write-off Policy
- Indigent Policy
- Virement Policy
- Funding and Reserve Policy
- Petty Cash Policy

11. OVERVIEW OF BUDGET ASSUMPTIONS

General Inflation Outlooks and its Impact

Nkandla Municipality, like and any other municipality, is still subjected to the impact from the global crisis as well as related ripple effects from national economy. The recent hikes in, to mention a few, electricity bulk purchases, fuel, interest rates and inability to feel critical positions in critical industries could not be interpreted in isolation of Nkandla Municipality and did therefore impact negatively on the 2019/20 budget and it will still have a huge effect on the 2020/21 medium term budget.

Budget Guidelines

All other tariffs, except for electricity, will be increased by only 7 percent to absorb the shortfall on the increase in the electricity purchases.

OVERVIEW OF FUNDING THE BUDGET

Funding of the 2020/21 Draft MTREF Budget

The operating budget of Nkandla Municipality for the 2020/21 financial year is funded from rates, tariffs, sundry charges and grants and subsidies.

Increases in the individual tariffs applicable to the above services are detailed in the tariff of schedule attached hereto, together with other proposed sundry tariffs.
The following issues were the challenges in the appropriation of funds when preparing the 2020/2021 Draft Budget:

- Initiatives to improve the current collection rate
- Requirement about upgrading and maintenance of existing roads and other IT infrastructure.
- Departmental requirements regarding the filling of critical and vacant positions not previously budgeted for.

Funding of 2020/2021 MTREF Capital Budget

In line with section 18 of the MFMA, the capital budget has been funded from the following funding sources:

Funding Sources

The total capital budget for the 2019/2020 financial year amounts to R51.14 million, which will be funded as follows:

Capital Funding	Amount (R)
Municipal Infrastructure Grant (MIG)	22 706 000
Integrated National Electrification Programme	10 800 000
Internally funded capital assets	12 573 750
Total	46 079 750

National and Provincial Government Transfers

The National and Provincial grants allocation will be used to fund larger portions of the operating expenditure as well as the capital expenditure. These have been gazetted in terms of the 2020 Division of Revenue Act.

EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES

Grants and subsidies from National and Provincial governments, as reported in the 2020 Division of Revenue Act and reflected in SA 19, have been included the 2020/21 budget and each allocation will utilised for the purpose as described below.

National Grant Allocations

Equitable Share

The equitable share is an unconditional grant and as such can be regarded as general revenue, however, it is a matter of co-operative governance that municipalities should prioritise its expenditure budget towards poor households and national priorities like free basic services.

Municipal Infrastructural Grant (MIG)

The Municipal Infrastructural Grant is a conditional grant which gives effect to national objectives to:

- Expand the delivery of basic services to all households, including the delivery of free basic services to poor households and other poverty alleviating objectives.
- Stimulate local economic development and job creation over the medium term.

The MIG funding will be utilised as follows: -

CAPITAL PROJECTS		
No.	**Project Name**	**Amount (R)**
1	Sphande Access Road	3 000 000.00
2	Skhwane Access Road	3 000 000.00
3	Ezindumeni Community Hall	2 500 000.00
4	Lindela Taxi Rank	3 000 000.00
5	Mabengela Sports Complex	3 000 000.00
6	Thalaneni / Mbizwe Gravel Road	4 000 000.00
7	Multi-Year Projects (Roll-Overs)	4 206 000.00
		R22 706 000.00

CAPITAL PROJECTS (MIG ENHANCEMENT)		
No.	Project Name	Amount (R)
1	Construction of Creches	1 743 750.00

The Electrification funding will be utilised as follows: -

CAPITAL PROJECTS		
No.	Project Name	Amount (R)

1	Cuphuchuku Electrification	1 500 000.00
2	Maqhashiya / Zingwelevu Electrification	1 500 000.00
3	Maphumulo Electrification	1 500 000.00
4	Nhloshana Electrification phase 3	6 300 000.00
		R10 800 000.00

Finance Management Grant

The Finance Management Grant is a capacity building grant provided by National Treasury to assist municipalities in building management planning, technical and financial management skills, and capacity for effective service delivery.

It will be utilised for the upgrading of skills and capacity of Nkandla finance officials for workshops and training programmes, funding financial programmes such as mSCOA with a view to capacitate financial systems, as well as for the remuneration of the interns currently employed by the municipality and cover costs of their training and its facilities. There are currently five interns employed as per National Treasury guide.

KZN286 Nkandla - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		21 776	23 212	30 406	28 550	52 750	52 750	52 750	61 033	66 254	71 577
less Revenue Foregone ***(exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)***		2 941	2 435	5 614	7 200	12 500	12 500	12 500	12 750	15 750	18 750
Net Property Rates		**18 835**	**20 777**	**24 792**	**21 350**	**40 250**	**40 250**	**40 250**	**48 283**	**50 504**	**52 827**
Service charges - electricity revenue	6										
Total Service charges - electricity revenue		8 595	9 686	12 965	14 500	18 500	18 500	18 500	23 695	24 670	25 689
less Revenue Foregone ***(in excess of 50 kwh per indigent household per month)***											
less Cost of Free Basis Services (50 kwh per indigent household per month)		–	–	–	–	–	–		2 500	2 500	2 500
Net Service charges - electricity revenue		**8 595**	**9 686**	**12 965**	**14 500**	**18 500**	**18 500**	**18 500**	**21 195**	**22 170**	**23 189**
Service charges - water revenue	6										
Total Service charges - water revenue											
less Revenue Foregone ***(in excess of 6 kilolitres per indigent household per month)***											
less Cost of Free Basis Services (6 kilolitres per indigent household per month)		–	–	–	–	–	–		–	–	–
Net Service charges - water revenue		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Service charges - sanitation revenue											
Total Service charges - sanitation revenue											
less Revenue Foregone ***(in excess of free sanitation service to indigent households)***											
less Cost of Free Basis Services (free sanitation service to indigent households)		–	–	–	–	–	–		–	–	–
Net Service charges - sanitation revenue		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Service charges - refuse revenue	6										
Total refuse removal revenue		734	763	810	1 200	1 200	1 200	1 200	800	1 000	1 200
Total landfill revenue											
less Revenue Foregone ***(in excess of one removal a week to indigent households)***				64	380	380	380	380			
less Cost of Free Basis Services (removed once a week to indigent households)		–	–	–	–	–	–		–	–	–
Net Service charges - refuse revenue		**734**	**763**	**746**	**820**	**820**	**820**	**820**	**800**	**1 000**	**1 200**
Other Revenue by source											
Fuel Levy											
Other Revenue		572	954	917	399	399	399	399	775	780	785
Total 'Other' Revenue	1	**572**	**954**	**917**	**399**	**399**	**399**	**399**	**775**	**780**	**785**
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	40 337	27 650	30 756	35 646	32 806	32 806	32 806	36 866	39 317	41 983
Pension and UIF Contributions			3 678	4 127	4 774	4 350	4 350	4 350	3 805	4 058	4 333
Medical Aid Contributions			1 624	1 855	2 025	2 025	2 025	2 025	2 025	2 160	2 306
Overtime			531	533	865	865	865	865	763	814	869
Performance Bonus			2 172	2 225	–	–	–	–	3 138	3 346	3 573
Motor Vehicle Allowance			5 530	6 059	5 536	5 536	5 536	5 536	6 434	6 862	7 327
Cellphone Allowance			28	44	31	31	31	31	31	33	35
Housing Allowances			81	61	55	55	55	55	55	58	62
Other benefits and allowances			1 470	1 273	1 407	1 407	1 407	1 407	1 430	1 525	1 628
Payments in lieu of leave			1 054	827		–	–	–	–	–	–
Long service awards			392	36		–	–	–	–	–	–
Post-retirement benefit obligations	4					–	–	–	–	–	–
sub-total	5	**40 337**	**44 208**	**47 795**	**50 338**	**47 074**	**47 074**	**47 074**	**54 545**	**58 173**	**62 117**
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	**40 337**	**44 208**	**47 795**	**50 338**	**47 074**	**47 074**	**47 074**	**54 545**	**58 173**	**62 117**
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		12 165	14 352	17 466	14 000	16 138	16 138	16 138	17 000	18 000	19 000
Lease amortisation											
Capital asset impairment		142									
Total Depreciation & asset impairment	1	**12 307**	**14 352**	**17 466**	**14 000**	**16 138**	**16 138**	**16 138**	**17 000**	**18 000**	**19 000**
Bulk purchases											
Electricity Bulk Purchases		12 721	11 076	11 087	13 000	15 000	15 000	15 000	16 000	17 000	18 000
Water Bulk Purchases											
Total bulk purchases	1	**12 721**	**11 076**	**11 087**	**13 000**	**15 000**	**15 000**	**15 000**	**16 000**	**17 000**	**18 000**
Transfers and grants											
Cash transfers and grants		–	–	200	250	250	250	250	2 500	2 500	2 500
Non-cash transfers and grants		7 436	–	1 300	1 500	1 500	1 500	1 500	–	–	–
Total transfers and grants	1	**7 436**	**–**	**1 500**	**1 750**	**1 750**	**1 750**	**1 750**	**2 500**	**2 500**	**2 500**
Contracted services											
Outsourced Services			–	26					32 345	32 000	33 500
Consultants and Professional Services									9 188	10 200	11 000
Contractors			8 440	11 439	25 114	29 878	29 878	29 878			
Total contracted services		**–**	**8 440**	**11 464**	**25 114**	**29 878**	**29 878**	**29 878**	**41 533**	**42 200**	**44 500**
Other Expenditure By Type											
Collection costs											
Contributions to 'other' provisions											
Audit fees									1 800	2 000	2 200
Other Expenditure		48 842	45 099	56 493	30 424	37 537	37 537	37 537	27 321	27 500	29 600
Total 'Other' Expenditure	1	**48 842**	**45 099**	**56 493**	**30 424**	**37 537**	**37 537**	**37 537**	**29 121**	**29 500**	**31 800**
Repairs and Maintenance	8										
Employee related costs											
Other materials											
Contracted Services									7 011	8 200	9 444
Other Expenditure		4 419	11 918	8 500	7 077	5 433	5 433	5 433			
Total Repairs and Maintenance Expenditure	9	4 419	11 918	8 500	7 077	5 433	5 433	5 433	7 011	8 200	9 444

KZN286 Nkandla - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description R thousand	Ref 1	Vote 1 - EXECUTIVE AND COUNCIL	Vote 2 - OFFICE OF THE MUNICIPAL MANAGER	Vote 3 - BUDGET AND TREASURY	Vote 4 - CORPORATE SERVICES	Vote 5 - COMMUNITY SERVICES	Vote 6 - TECHNICAL SERVICES	Total
Revenue By Source								
Property rates				48 283				**48 283**
Service charges - electricity revenue							21 195	**21 195**
Service charges - water revenue								**–**
Service charges - sanitation revenue								**–**
Service charges - refuse revenue							800	**800**
Rental of facilities and equipment						1 300		**1 300**
Interest earned - external investments				1 850				**1 850**
Interest earned - outstanding debtors				1 850				**1 850**
Dividends received								**–**
Fines, penalties and forfeits						24		**24**
Licences and permits						265		**265**
Agency services								**–**
Other revenue						775		**775**
Transfers and subsidies				109 463				**109 463**
Gains								**–**
Total Revenue (excluding capital transfers and cont		**–**	**–**	**161 446**	**–**	**2 364**	**21 995**	**185 805**
Expenditure By Type								
Employee related costs			10 818	9 826	8 211	14 812	10 878	**54 545**
Remuneration of councillors		11 245						**11 245**
Debt impairment				2 500				**2 500**
Depreciation & asset impairment				17 000				**17 000**
Finance charges								**–**
Bulk purchases							16 000	**16 000**
Other materials				150	1 110		5 751	**7 011**
Contracted services		1 500	3 400	1 012	16 233	1 700	8 500	**32 345**
Transfers and subsidies							2 500	**2 500**
Other expenditure		250	8 035	11 643	5 919	10 833	1 629	**38 309**
Losses								**–**
Total Expenditure		**12 995**	**22 253**	**42 131**	**31 473**	**27 345**	**45 259**	**181 456**
Surplus/(Deficit)		**(12 995)**	**(22 253)**	**119 315**	**(31 473)**	**(24 981)**	**(23 264)**	**4 349**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)				**33 506**				**33 506**
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)								**–**
Transfers and subsidies - capital (in-kind - all)								**–**
Surplus/(Deficit) after capital transfers & contributions		**(12 995)**	**(22 253)**	**152 821**	**(31 473)**	**(24 981)**	**(23 264)**	**37 855**

References

1. Departmental columns to be based on municipal organisation structure

check balance -

KZN286 Nkandla - Supporting Table SA3 Supportinging detail to 'Budgeted Financial Position'

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
ASSETS											
Consumer debtors											
Consumer debtors		24 068	27 688	32 627	32 224	32 708	32 708	32 708	36 700	39 500	41 980
Less: Provision for debt impairment		(14 870)	(17 536)		21 536	20 533	20 533	20 533	(23 533)	(26 733)	(31 733)
Total Consumer debtors	2	**9 198**	**10 152**	**32 627**	**53 760**	**53 241**	**53 241**	**53 241**	**13 167**	**12 767**	**10 247**
Debt impairment provision											
Balance at the beginning of the year		10 241	14 478	3 500	17 536	18 533	18 533	18 533	21 033	23 533	26 233
Contributions to the provision		3 761	3 058	7 788	4 000	2 000	2 000	2 000	2 500	2 700	3 000
Bad debts written off		(476)			–	–	–	–	–	–	–
Balance at end of year		**13 526**	**17 536**	**11 288**	**21 536**	**20 533**	**20 533**	**20 533**	**23 533**	**26 233**	**29 233**
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		402 090	420 433	447 743	525 018	525 018	525 018	525 018	571 097	619 480	670 283
Leases recognised as PPE	3				–	–	–	–	–	–	–
Less: Accumulated depreciation		48 510	61 925	73 131	89 925	89 925	89 925	89 925	107 925	126 225	147 025
Total Property, plant and equipment (PPE)	2	**353 581**	**358 509**	**374 612**	**435 094**	**435 094**	**435 094**	**435 094**	**463 172**	**493 255**	**523 258**
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities											
Total Current liabilities - Borrowing		–	–	–	–	–	–	–	–	–	–
Trade and other payables											
Trade Payables	5		11 370	10 233	7 800	7 800	7 800	7 800	7 000	7 200	8 000
Other creditors			15 225	11 567	9 258	9 258	9 258	9 258	8 500	9 700	9 000
Unspent conditional transfers			1 991	1 742	1 742	1 448	1 448	1 448	1 500	1 700	2 000
VAT					–	–	–	–	–	–	–
Total Trade and other payables	2	**–**	**28 585**	**23 542**	**18 800**	**18 506**	**18 506**	**18 506**	**17 000**	**18 600**	**19 000**
Non current liabilities - Borrowing											
Borrowing	4										
Finance leases (including PPP asset element)											
Total Non current liabilities - Borrowing		–	–	–	–	–	–	–	–	–	–
Provisions - non-current											
Retirement benefits						–	–	–			
Refuse landfill site rehabilitation		6 653	7 272	5 264	7 721	7 668	7 668	7 668	7 400	7 100	6 800
Other				1 453		–	–	–			
Total Provisions - non-current		**6 653**	**7 272**	**6 717**	**7 721**	**7 668**	**7 668**	**7 668**	**7 400**	**7 100**	**6 800**
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		283 989	314 695	346 399	407 950	407 950	407 950	407 950	481 196	464 556	494 275
GRAP adjustments					(12 629)	(12 629)	(12 629)	(12 629)	(54 495)	(12 022)	(15 157)
Restated balance		283 989	314 695	346 399	395 321	395 321	395 321	395 321	426 701	452 534	479 118
Surplus/(Deficit)		(92 907)	25 751	51 322	32 781	46 444	46 444	45 894	37 855	41 740	43 974
Transfers to/from Reserves											
Depreciation offsets											
Other adjustments					39 981	39 981	39 981	39 981			
Accumulated Surplus/(Deficit)	1	**191 083**	**340 446**	**397 721**	**468 083**	**481 746**	**481 746**	**481 196**	**464 556**	**494 275**	**523 092**
Reserves											
Housing Development Fund											
Capital replacement											
Self-insurance											
Other reserves											
Revaluation											
Total Reserves	2	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**191 083**	**340 446**	**397 721**	**468 083**	**481 746**	**481 746**	**481 196**	**464 556**	**494 275**	**523 092**

KZN286 Nkandla - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (re

Strategic Objective	Goal	Goal Code	Ref	2020/21 Medium Term Revenue & Expenditure Framework		
R thousand				Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Improve organisational skills development and capacity building for staff and councillors, to decrease municipal risk through risk management, attain effective and efficient municipal administration	Improve institutional and organisational capacity					
Increase provision of municipal services in a sustainable manner, improved state of municipal infrastructure, to improve quality of life through social infrastructure development	Sustainable infrastructure and service delivery			50 306	55 865	57 780
To align LED Strategy with the PGDS, EPWP and CWP, to increase job creation, to improve support to Local Development	Create conducive environment for socio economic growth			1 764	1 873	2 281
To enhance revenue collection, ensure that financial resources are efficiently and effectively allocated, ensure effective management and monitoring expenditure, improved budgeting, reporting and compliance	Advance and maintain the financial viability of municipality			167 241	173 945	186 781
Strengthned governance, oversight and reduced risk, ensure efficient and effective internal and external communication, attain effective and efficient municipal administration	Promote good governance in the municipality					
To improve strategic and municipal spacial planning, to promote safe and healthy environment for Nkandla Community, to minimise the effect of natural and other disasters, to create conducive environment for socio economic growth	Ensure improved response to disasters					
Allocations to other priorities			2			
Total Revenue (excluding capital transfers and contributions)			1	**219 311**	**231 683**	**246 842**

KZN286 Nkandla - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (op

Strategic Objective	Goal	Goal Code	Ref	2020/21 Medium Term Revenue & Expenditure Framework		
R thousand				Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Improve organisational skills development and capacity building for staff and councillors, to decrease municipal risk through risk	Improve institutional and organisational capacity			31 473	24 495	25 900
Increase provision of municipal services in a sustainable manner, improved state of municipal infrastructure, to improve quality of life through social infrastructure development	Sustainable infrastructure and service delivery			42 759	50 217	53 345
To align LED Strategy with the PGDS, EPWP and CWP, to increase job creation, to improve support to Local Development	Create conducive environment for socio economic growth			27 345	24 495	25 900
To enhance revenue collection, ensure that financial resources are efficiently and effectively allocated, ensure effective management and monitoring expenditure, improved budgeting, reporting and compliance	Advance and maintain the financial viability of municipality			44 631	53 869	58 217
Strengthned governance, oversight and reduced risk, ensure efficient and effective internal and external communication, attain effective and efficient municipal administration	Promote good governance in the municipality			12 995	12 371	13 605
To improve strategic and municipal spacial planning, to promote safe and healthy environment for Nkandla Community, to minimise the effect of natural and other	Ensure improved response to disasters			22 253	24 495	25 900
Allocations to other priorities						
Total Expenditure			1	**181 456**	**189 942**	**202 867**

References

1. Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

2. Balance of allocations not directly linked to an IDP strategic objective

check op expenditure balance – – –

KZN286 Nkandla - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (c

Strategic Objective	Goal	Goal Code	Ref	2020/21 Medium Term Revenue & Expenditure Framework		
R thousand				Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Improve organisational skills development and capacity building for staff and councillors, to decrease municipal risk through risk management, attain effective and efficient municipal administration	Improve institutional and organisational capacity	A				
Increase provision of municipal services in a sustainable manner, improved state of municipal infrastructure, to improve quality of life through social infrastructure development	Sustainable infrastructure and service delivery	B		24 210	25 421	26 692
To align LED Strategy with the PGDS, EPWP and CWP, to increase job creation, to improve support to Local Development	Create conducive environment for socio economic growth	C		14 196	14 905	15 651
To enhance revenue collection, ensure that financial resources are efficiently and effectively allocated, ensure effective management and monitoring expenditure, improved budgeting, reporting and compliance	Advance and maintain the financial viability of municipality	D		7 674	8 057	8 460
Strengthned governance, oversight and reduced risk, ensure efficient and effective internal and external communication, attain effective and efficient municipal administration	Promote good governance in the municipality	E				
To improve strategic and municipal spacial planning, to promote safe and healthy environment for Nkandla Community, to minimise the effect of natural and other disasters, to create conducive environment for socio economic growth	Ensure improved response to disasters	F				
		G				
Allocations to other priorities			3			
Total Capital Expenditure			1	**46 080**	**48 384**	**50 803**

References

1. Total capital expenditure must reconcile to Budgeted Capital Expenditure

2. Goal code must be used on Table SA36

3. Balance of allocations not directly linked to an IDP strategic objective

check capital balance	–	–	–

KZN286 Nkandla - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2020/21 Medium Term Revenue & Expenditure Framework		
		Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Technical Services				
Function 1 - Roads				
Sub-function 1 - Roads for growth				
New roads to be constructed	Kilometres	10	15	20
Sub-function 2 - Roads Maintained				
Roads to be resurfaced	Kilometres	20	15	12
Sub-function 3 - (name)				
Insert measure/s description				
Function 2 - Facilities				
Sub-function 1 - Halls for growth				
New halls to be constructed	Number of Halls	6 416 526.00	6 737 352.00	7 074 220.00
Sub-function 2 - Halls for maintenance				
Halls to be repaired	Number of halls	1 679 375.00	1 780 138.00	1 886 946.00
Sub-function 3 - (name)				
Insert measure/s description				
Function 3 - Electrical				
Sub-function 1 - New Connections				
Completed and occupied houses electrified to cater for growth	Households	10 800 000.00	14 000 000.00	14 000 000.00
Sub-function 2 - Maintainance of infrastructure				
Replaced damaged or aged electrical lines	Metres	100	150	170

KZN286 Nkandla - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	–	0.4	1.4	3.4	3.4	3.4	3.4	1.2	1.2	1.1
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	–	0.4	1.4	3.4	3.4	3.4	3.4	1.2	1.2	1.1
Liquidity Ratio	Monetary Assets/Current Liabilities	–	–	–	0.5	0.5	0.5	0.5	0.4	0.4	0.5
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		93.6%	97.6%	113.4%	145.8%	93.9%	93.9%	93.9%	96.2%	97.2%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		93.6%	97.6%	98.1%	107.7%	82.2%	82.2%	82.2%	83.0%	83.0%	83.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	32.0%	7.0%	19.6%	37.0%	32.3%	32.3%	32.4%	7.8%	7.4%	5.8%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))										
Creditors to Cash and Investments		0.0%	6.7%	6.8%	82.8%	137.3%	137.3%	137.3%	112.2%	92.1%	84.1%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW) Total Cost of Losses (Rand '000) % Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	Total Volume Losses (kℓ) Total Cost of Losses (Rand '000) % Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	140.4%	30.3%	28.7%	33.9%	28.0%	28.0%	28.1%	29.4%	30.1%	30.0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	168.4%	35.9%	32.0%	40.4%	35.7%	36.0%		35.4%	36.1%	36.0%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	15.4%	8.2%	5.1%	4.8%	5.3%	5.3%		3.8%	4.2%	4.6%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	42.8%	9.8%	10.5%	9.4%	9.6%	9.6%	9.6%	9.1%	9.3%	9.2%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	22.0	25.4	32.2	17.2	17.2	17.2	19.3	21.7	17.8	19.0
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	32.7%	32.3%	84.4%	144.9%	89.4%	89.4%	89.4%	20.2%	19.0%	15.1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0.1	21.0	16.8	1.0	0.6	0.6	0.6	0.5	0.6	0.7

KZN286 Nkandla Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	807	169 919	150 770	9 417	5 681	5 681	5 681	6 239	7 820	9 508
Cash + investments at the yr end less applications - R'000	18(1)b	2	8 850	(18 857)	15 327	867	367	367	33 756	936	753	112
Cash year end/monthly employee/supplier payments	18(1)b	3	0.1	21.0	16.8	1.0	0.6	0.6	0.6	0.5	0.6	0.7
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(92 907)	25 751	51 322	32 781	46 444	46 444	45 894	37 855	41 740	43 974
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	4.9%	17.3%	(10.8%)	56.4%	(6.0%)	(6.0%)	12.0%	(1.2%)	(1.2%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	96.2%	95.8%	96.5%	102.7%	80.3%	80.3%	80.3%	80.9%	80.8%	80.4%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	9.8%	4.1%	10.9%	3.4%	3.4%	3.4%	3.6%	3.7%	3.9%
Capital payments % of capital expenditure	18(1)c;19	8	102.6%	100.0%	100.0%	100.0%	100.9%	100.9%	100.9%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	10.4%	221.4%	68.1%	(0.9%)	0.0%	0.0%	(73.4%)	(1.4%)	(16.3%)
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	1.2%	3.3%	2.3%	1.6%	2.0%	2.0%	1.6%	1.5%	1.7%	1.8%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Supporting indicators												
% incr *total service charges (incl prop rates)*	18(1)a			10.9%	23.3%	(4.8%)	62.4%	0.0%	0.0%	18.0%	4.8%	4.8%
% incr Property Tax	18(1)a			10.3%	19.3%	(13.9%)	88.5%	0.0%	0.0%	20.0%	4.6%	4.6%
% incr Service charges - electricity revenue	18(1)a			12.7%	33.9%	11.8%	27.6%	0.0%	0.0%	14.6%	4.6%	4.6%
% incr Service charges - water revenue	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - sanitation revenue	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - refuse revenue	18(1)a			3.9%	(2.2%)	9.9%	0.0%	0.0%	0.0%	(2.4%)	25.0%	20.0%
% incr in	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		28 164	31 226	38 504	36 670	59 570	59 570	59 570	70 278	73 674	77 217
Service charges			28 164	31 226	38 504	36 670	59 570	59 570	59 570	70 278	73 674	77 217
Property rates			18 835	20 777	24 792	21 350	40 250	40 250	40 250	48 283	50 504	52 827
Service charges - electricity revenue			8 595	9 686	12 965	14 500	18 500	18 500	18 500	21 195	22 170	23 189
Service charges - water revenue			–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue			–	–	–	–	–	–	–	–	–	–
Service charges - refuse removal			734	763	746	820	820	820	820	800	1 000	1 200
Service charges - other			–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment			–	240	157	1 200	1 200	1 200	1 200	1 300	1 500	2 000
Capital expenditure excluding capital grant funding			857	244	6 255	11 301	7 346	7 346	7 346	12 574	10 019	11 223
Cash receipts from ratepayers	18(1)a		27 650	31 416	38 674	40 804	50 485	50 485	50 485	60 227	63 213	66 559
Ratepayer & Other revenue	18(1)a		28 736	32 786	40 068	39 726	62 866	62 866	62 866	74 492	78 197	82 798
Change in consumer debtors (current and non-current)			4 668	954	22 475	22 233	21 714	21 714	21 714	(40 393)	(200)	(2 320)
Operating and Capital Grant Revenue	18(1)a		–	135 520	174 798	146 531	146 761	146 761	146 761	142 969	151 536	161 544
Capital expenditure - total	20(1)(vi)		40 652	20 039	56 200	51 135	50 674	50 674	50 674	46 080	48 384	50 803
Capital expenditure - renewal	20(1)(vi)		–	–	–	–	–	–		–	–	–
Supporting benchmarks												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY										107 695	111 312	116 098
DoRA capital grants total MFY										33 506	38 365	39 580
Provincial operating grants										1 768	1 859	5 866
Provincial capital grants												
District Municipality grants												
Total gazetted/advised national, provincial and district grants										142 969	151 536	161 544
Average annual collection rate (arrears inclusive)												
DoRA operating												
Local Government Equitable Share										102 419	108 512	113 298
Finance Management										2 800	2 800	2 800
EPWP Incentive										2 476	–	–
										107 695	**111 312**	**116 098**
DoRA capital												
Municipal Infrastructure Grant (MIG)										22 706	24 365	25 580
Integrated National Electrification Programme										10 800	14 000	14 000
										33 506	**38 365**	**39 580**
Trend												
Change in consumer debtors (current and non-current)			4 668	954	22 475	21 714	(40 393)	(200)	(2 320)	–	–	–
Total Operating Revenue			28 736	146 039	166 663	148 273	168 149	168 149	167 599	185 805	193 318	207 262
Total Operating Expenditure			121 643	143 458	165 287	155 325	165 032	165 032	165 032	181 456	189 942	202 867
Operating Performance Surplus/(Deficit)			(92 907)	2 581	1 377	(7 053)	3 116	3 116	2 566	4 349	3 375	4 394
Cash and Cash Equivalents (30 June 2012)										6 239		
Revenue												
% Increase in Total Operating Revenue				408.2%	14.1%	(11.0%)	13.4%	0.0%	(0.3%)	10.5%	4.0%	7.2%
% Increase in Property Rates Revenue				10.3%	19.3%	(13.9%)	88.5%	0.0%	0.0%	20.0%	4.6%	4.6%
% Increase in Electricity Revenue				12.7%	33.9%	11.8%	27.6%	0.0%	0.0%	14.6%	4.6%	4.6%
% Increase in Property Rates & Services Charges				10.9%	23.3%	(4.8%)	62.4%	0.0%	0.0%	18.0%	4.8%	4.8%
Expenditure												
% Increase in Total Operating Expenditure				17.9%	15.2%	(6.0%)	6.2%	0.0%	0.0%	10.0%	4.7%	6.8%
% Increase in Employee Costs				9.6%	8.1%	5.3%	(6.5%)	0.0%	0.0%	15.9%	6.6%	6.8%
% Increase in Electricity Bulk Purchases				(12.9%)	0.1%	17.3%	15.4%	0.0%	0.0%	6.7%	6.3%	5.9%
Average Cost Per Budgeted Employee Position (Remuneration)					359357.1504	378479.0338				416376.7939		
Average Cost Per Councillor (Remuneration)					348955.9259	356407.4074				416492.5926		
R&M % of PPE			1.2%	3.3%	2.3%	1.6%	2.0%	2.0%		1.5%	1.7%	1.8%
Asset Renewal and R&M as a % of PPE			1.0%	3.0%	2.0%	2.0%	2.0%	2.0%		1.0%	2.0%	2.0%
Debt Impairment % of Total Billable Revenue			0.0%	9.8%	4.1%	10.9%	3.4%	3.4%	3.4%	3.6%	3.7%	3.9%
Capital Revenue												
Internally Funded & Other (R'000)			857	244	6 255	11 301	7 346	7 346	7 346	12 574	10 019	11 223
Borrowing (R'000)			–	–	–	–	–	–	–	–	–	–
Grant Funding and Other (R'000)			39 795	19 795	49 945	39 834	43 328	43 328	43 328	33 506	38 365	39 580
Internally Generated funds % of Non Grant Funding			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			97.9%	98.8%	88.9%	77.9%	85.5%	85.5%	85.5%	72.7%	79.3%	77.9%
Capital Expenditure												
Total Capital Programme (R'000)			39 535	19 795	44 680	51 135	50 674	50 674	50 674	46 080	48 384	50 803
Asset Renewal			–	–	–	–	–	–	–	–	–	–
Asset Renewal % of Total Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash												
Cash Receipts % of Rate Payer & Other			96.2%	95.8%	96.5%	102.7%	80.3%	80.3%	80.3%	80.9%	80.8%	80.4%
Cash Coverage Ratio			0	0	0	0	0	0	0	0	0	0
Borrowing												
Credit Rating (2009/10)										0		
Capital Charges to Operating			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing Receipts % of Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Reserves												
Surplus/(Deficit)			8 850	(18 857)	15 327	867	367	367	33 756	936	753	112
Free Services												
Free Basic Services as a % of Equitable Share			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		2.4%	2.3%	2.2%
Free Services as a % of Operating Revenue (excl operational transfers)			10.2%	7.2%	13.6%	18.2%	19.9%	19.9%		16.7%	19.7%	22.0%
High Level Outcome of Funding Compliance												
Total Operating Revenue			28 736	146 039	166 663	148 273	168 149	168 149	167 599	185 805	193 318	207 262
Total Operating Expenditure			121 643	143 458	165 287	155 325	165 032	165 032	165 032	181 456	189 942	202 867
Surplus/(Deficit) Budgeted Operating Statement			(92 907)	2 581	1 377	(7 053)	3 116	3 116	2 566	4 349	3 375	4 394
Surplus/(Deficit) Considering Reserves and Cash Backing			8 850	(18 857)	15 327	867	367	367	33 756	936	753	112
MTREF Funded (1) / Unfunded (0)		15	1	0	1	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✗		15	✓	✗	✓	✓	✓	✓	✓	✓	✓	✓

References

15. Subject to figures provided in Schedule.

KZN286 Nkandla - Supporting Table SA11 Property rates summary

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Valuation:	1									
Date of valuation:										
Financial year valuation used								**2019**		
Municipal by-laws s6 in place? (Y/N)	2							Yes		
Municipal/assistant valuer appointed? (Y/N)								Yes		
Municipal partnership s38 used? (Y/N)								Yes		
No. of assistant valuers (FTE)	3							8		
No. of data collectors (FTE)	3							8		
No. of internal valuers (FTE)	3							–		
No. of external valuers (FTE)	3							–		
No. of additional valuers (FTE)	4							–		
Valuation appeal board established? (Y/N)								Yes		
Rating:										
Residential rate used to determine rate for other categories? (Y/N)								Yes		
Differential rates used? (Y/N)	5							Yes		
Limit on annual rate increase (s20)? (Y/N)										
Special rating area used? (Y/N)								Yes		
Phasing-in properties s21 (number)										
Rates policy accompanying budget? (Y/N)								Yes		
Fixed amount minimum value (R'000)										
Non-residential prescribed ratio s19? (%)										
Rate revenue:										
Rate revenue budget (R '000)	6	18 835	20 777	24 792	21 350	40 250	40 250	48 283	50 504	52 827
Rate revenue expected to collect (R'000)	6	17 083	20 777	24 792	25 695	33 810	33 810	40 075	41 918	43 846
Expected cash collection rate (%)		96.2%	95.8%	96.5%	102.7%	80.3%	80.3%	80.9%	80.8%	80.4%
Special rating areas (R'000)	7									
Rebates, exemptions - indigent (R'000)		7 436	1 500	1 500	1 750	1 750	1 750	2 500	2 500	2 500
Rebates, exemptions - pensioners (R'000)										
Rebates, exemptions - bona fide farm. (R'000)										
Rebates, exemptions - other (R'000)		2 941	2 435	5 614	7 200	12 500	12 500	12 750	15 750	18 750
Phase-in reductions/discounts (R'000)										
Total rebates,exemptns,reductns,discs (R'000)		**10 377**	**3 935**	**7 114**	**8 950**	**14 250**	**14 250**	**15 250**	**18 250**	**21 250**

KZN286 Nkandla - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		**83 143**	**87 545**	**91 479**	**101 747**	**101 747**	**101 747**	**107 695**	**111 312**	**116 098**
Local Government Equitable Share		79 169	82 435	86 797	96 903	96 903	96 903	102 419	108 512	113 298
Finance Management		1 825	1 900	1 970	2 435	2 435	2 435	2 800	2 800	2 800
EPWP Incentive		2 149	3 210	2 712	2 409	2 409	2 409	2 476	–	–
Other transfers/grants [insert description]										
Provincial Government:		**1 064**	**1 635**	**4 916**	**4 950**	**4 950**	**4 950**	**1 768**	**1 859**	**5 866**
Provincialisation of libraries		1 064	395	838	880	880	880	905	935	981
Community library Service			1 154	3 803	4 070	4 070	4 070	863	924	4 885
Spatial Development Framework Support				–	–	–	–			
Nkungmathe Lodge				275						
Other transfers/grants [insert description]			86							
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
[insert description]										
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
[insert description]										
Total Operating Transfers and Grants	5	**84 207**	**89 180**	**96 395**	**106 697**	**106 697**	**106 697**	**109 463**	**113 171**	**121 964**
Capital Transfers and Grants										
National Government:		**39 795**	**23 170**	**49 945**	**39 834**	**39 834**	**39 834**	**33 506**	**38 365**	**39 580**
Municipal Infrastructure Grant (MIG)		21 795	23 170	22 445	22 834	22 834	22 834	22 706	24 365	25 580
Integrated National Electrification Programme		18 000	–	18 000	17 000	17 000	17 000	10 800	14 000	14 000
Ring-fenced Municipal Infrastructure Grant				9 500						
Other capital transfers/grants [insert desc]										
Provincial Government:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Other capital transfers/grants [insert description]										
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
[insert description]										
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
[insert description]										
Total Capital Transfers and Grants	5	**39 795**	**23 170**	**49 945**	**39 834**	**39 834**	**39 834**	**33 506**	**38 365**	**39 580**
TOTAL RECEIPTS OF TRANSFERS & GRANTS		**124 002**	**112 350**	**146 340**	**146 531**	**146 531**	**146 531**	**142 969**	**151 536**	**161 544**

KZN286 Nkandla - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		83 143	87 545	91 479	101 747	101 747	101 747	107 695	111 312	116 098
Conditions met - transferred to revenue		**83 143**	**87 545**	**91 479**	**101 747**	**101 747**	**101 747**	**107 695**	**111 312**	**116 098**
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year			543	–	–	–	–			
Current year receipts		1 064	1 635	4 916	4 950	4 950	4 950	1 768	1 859	5 866
Conditions met - transferred to revenue		**1 064**	**2 178**	**4 916**	**4 950**	**4 950**	**4 950**	**1 768**	**1 859**	**5 866**
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year			1 448							
Current year receipts										
Conditions met - transferred to revenue		–	**1 448**	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		**84 207**	**91 171**	**96 395**	**106 697**	**106 697**	**106 697**	**109 463**	**113 171**	**121 964**
Total operating transfers and grants - CTBM	2	–	–	–	–	–	–	–	–	–
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–			
Current year receipts		39 795	23 170	49 945	39 834	39 834	39 834	33 506	38 365	39 580
Conditions met - transferred to revenue		**39 795**	**23 170**	**49 945**	**39 834**	**39 834**	**39 834**	**33 506**	**38 365**	**39 580**
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		**39 795**	**23 170**	**49 945**	**39 834**	**39 834**	**39 834**	**33 506**	**38 365**	**39 580**
Total capital transfers and grants - CTBM	2	–	–	–	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE		**124 002**	**114 341**	**146 340**	**146 531**	**146 531**	**146 531**	**142 969**	**151 536**	**161 544**
TOTAL TRANSFERS AND GRANTS - CTBM		–	–	–	–	–	–	–	–	–

KZN286 Nkandla - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		4 880	5 808	7 034	6 199	6 199	6 799	7 479	7 700	8 100
Pension and UIF Contributions					96	96	96	106	116	128
Medical Aid Contributions										
Motor Vehicle Allowance		1 967	1 966	1 967	2 098	2 098	2 098	2 308	2 366	2 641
Cellphone Allowance		1 102	1 101	1 102	1 130	1 130	1 130	1 243	1 367	1 504
Housing Allowances										
Other benefits and allowances		97	97	97	100	100	100	110	121	133
Sub Total - Councillors		**8 045**	**8 973**	**10 199**	**9 623**	**9 623**	**10 224**	**11 245**	**11 670**	**12 506**
% increase	4		**11.5%**	**13.7%**	**(5.6%)**	**–**	**6.2%**	**10.0%**	**3.8%**	**7.2%**
Senior Managers of the Municipality	2									
Basic Salaries and Wages		2 542	2 575	3 252	3 138	3 138	3 138	3 738	3 986	4 256
Pension and UIF Contributions		42	–		42	42	42	16	17	18
Medical Aid Contributions		–	–					–	–	–
Overtime		–	–					–	–	–
Performance Bonus		–	–					–	–	–
Motor Vehicle Allowance	3	865	951	1 369	1 046	1 046	1 046	1 470	1 568	1 674
Cellphone Allowance	3	–	–					–	–	–
Housing Allowances	3	99	25					–	–	–
Other benefits and allowances	3	443	545		167	167	167	33	35	37
Payments in lieu of leave		–	–					–	–	–
Long service awards		–	–					–	–	–
Post-retirement benefit obligations	6							–	–	–
Sub Total - Senior Managers of Municipality		**3 991**	**4 097**	**4 621**	**4 393**	**4 393**	**4 393**	**5 256**	**5 605**	**5 985**
% increase	4		**2.7%**	**12.8%**	**(4.9%)**	**–**	**–**	**19.6%**	**6.6%**	**6.8%**
Other Municipal Staff										
Basic Salaries and Wages		24 733	26 619	26 657	32 834	32 834	32 834	33 128	35 331	37 726
Pension and UIF Contributions		3 917	4 119	3 804	4 923	4 923	4 923	3 789	4 041	4 315
Medical Aid Contributions		1 405	1 624	1 822	1 970	1 970	1 970	2 025	2 160	2 306
Overtime		459	531	579	789	789	789	763	814	869
Performance Bonus					–	–	–	3 138	3 346	3 573
Motor Vehicle Allowance	3	4 166	4 425	3 983	4 573	4 573	4 573	4 964	5 294	5 653
Cellphone Allowance	3	15	28	31	31	31	31	31	33	35
Housing Allowances	3	92	56	84	55	55	55	55	58	62
Other benefits and allowances	3	1 309	1 538	1 471	771	771	771	1 397	1 490	1 591
Payments in lieu of leave								–	–	–
Long service awards		250	392					–	–	–
Post-retirement benefit obligations	6							–	–	–
Sub Total - Other Municipal Staff		**36 346**	**39 330**	**38 431**	**45 945**	**45 945**	**45 945**	**49 289**	**52 567**	**56 131**
% increase	4		**8.2%**	**(2.3%)**	**19.6%**	**–**	**–**	**7.3%**	**6.6%**	**6.8%**
Total Parent Municipality		**48 382**	**52 400**	**53 252**	**59 961**	**59 961**	**60 562**	**65 791**	**69 842**	**74 623**
			8.3%	**1.6%**	**12.6%**	**–**	**1.0%**	**8.6%**	**6.2%**	**6.8%**
TOTAL SALARY, ALLOWANCES & BENEFITS		**48 382**	**52 400**	**53 252**	**59 961**	**59 961**	**60 562**	**65 791**	**69 842**	**74 623**
% increase	4		**8.3%**	**1.6%**	**12.6%**	**–**	**1.0%**	**8.6%**	**6.2%**	**6.8%**
TOTAL MANAGERS AND STAFF	5,7	**40 337**	**43 427**	**43 052**	**50 338**	**50 338**	**50 338**	**54 545**	**58 173**	**62 117**

KZN286 Nkandla - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash Transfers to other municipalities											
Insert description	1										
Total Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–
Cash Transfers to Entities/Other External Mechanisms											
Insert description	2										
Total Cash Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–	–
Cash Transfers to other Organs of State											
Insert description	3										
Total Cash Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–	–
Cash Transfers to Organisations											
Insert description				200	250	250	250	250	2 500	2 500	2 500
Total Cash Transfers To Organisations		–	–	**200**	**250**	**250**	**250**	**250**	**2 500**	**2 500**	**2 500**
Cash Transfers to Groups of Individuals											
Insert description											
Total Cash Transfers To Groups Of Individuals:		–	–	–	–	–	–	–	–	–	–
TOTAL CASH TRANSFERS AND GRANTS	6	–	–	**200**	**250**	**250**	**250**	**250**	**2 500**	**2 500**	**2 500**
Non-Cash Transfers to other municipalities											
Insert description	1										
Total Non-Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–
Non-Cash Transfers to Entities/Other External Mechanisms											
Insert description	2										
Total Non-Cash Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–	–
Non-Cash Transfers to other Organs of State											
Insert description	3	7 436		1 300	1 500	1 500	1 500	1 500			
Total Non-Cash Transfers To Other Organs Of State:		**7 436**	–	**1 300**	**1 500**	**1 500**	**1 500**	**1 500**	–	–	–
Non-Cash Grants to Organisations											
Insert description	4										
Total Non-Cash Grants To Organisations		–	–	–	–	–	–	–	–	–	–
Groups of Individuals											
Insert description	5										
Total Non-Cash Grants To Groups Of Individuals:		–	–	–	–	–	–	–	–	–	–
TOTAL NON-CASH TRANSFERS AND GRANTS		**7 436**	–	**1 300**	**1 500**	**1 500**	**1 500**	**1 500**	–	–	–
TOTAL TRANSFERS AND GRANTS	6	**7 436**	–	**1 500**	**1 750**	**1 750**	**1 750**	**1 750**	**2 500**	**2 500**	**2 500**

References

1. Insert description listed by municipal name and demarcation code of recipient

2. Insert description of each entity or external mechanism (an external mechanism may be provided with resources to ensure a minimum level of service)

3. Insert description of each Organ of State (e.g. transfer to electricity provider to compensate for FBS provided)

4. Insert description of each other organisation (e.g. charity)

5 Insert description of each other organisation (e.g. the aged, child-headed households)

6. All descriptions should separate transfers for 'capital purposes' and 'operating purposes'

KZN286 Nkandla - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1. Rand per annum	Ref	No.	Salary	Contribution 1.	Allowances	Performance Bonuses	In-kind benefits	Total Package 2.
Councillors	3							
Speaker	4		299 674	–	146 067			445 741
Chief Whip			–	–	–			–
Executive Mayor			671 470	–	269 999			941 469
Deputy Executive Mayor			299 674	–	146 067			445 741
Executive Committee			842 852	–	543 031			1 385 883
Total for all other councillors			4 522 610	–	3 503 913			8 026 523
Total Councillors	8	–	**6 636 280**	–	**4 609 077**			**11 245 357**
Senior Managers of the Municipality	5							
Municipal Manager (MM)			1 159 473	–	–	–		1 159 473
Chief Finance Officer			1 024 163	–	–	–		1 024 163
Director Technical Services			1 024 163	–	–	–		1 024 163
Director Corporate Services			1 024 163	–	–	–		1 024 163
Director Community Services			1 023 925	–	–	–		1 023 925
								–
								–
Total Senior Managers of the Municipality	8,10	–	**5 255 887**	–	–	–		**5 255 887**
Total for municipal entities	8,10	–	–	–	–	–		–
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	–	**11 892 167**	–	**4 609 077**	–		**16 501 244**

KZN286 Nkandla - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2018/19			Current Year 2019/20			Budget Year 2020/21		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		27	–	27	27	–	27	27	–	27
Board Members of municipal entities	4									
Municipal employees	5									
Municipal Manager and Senior Managers	3	5	–	5	5	–	5	5	–	5
Other Managers	7	13	13	–	13	13	–	12	12	–
Professionals		*32*	*32*	–	*32*	*32*	–	*37*	*32*	*5*
Finance		21	21	–	21	21	–	22	17	5
Spatial/town planning		2	2	–	2	2	–	2	2	–
Information Technology		1	1	–	1	1	–	1	1	–
Roads		3	3	–	3	3	–	3	3	–
Electricity		3	3	–	3	3	–	4	4	–
Water										
Sanitation										
Refuse		2	2	–	2	2	–	5	5	–
Other										
Technicians		*83*	*83*	–	*83*	*83*	–	*75*	*75*	–
Finance										
Spatial/town planning										
Information Technology										
Roads										
Electricity										
Water										
Sanitation										
Refuse										
Other		83	83	–	83	83	–	75	75	–
Clerks (Clerical and administrative)										
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators								2	2	–
Elementary Occupations										
TOTAL PERSONNEL NUMBERS	9	**160**	**128**	**32**	**160**	**128**	**32**	**158**	**121**	**37**
% increase					–	–	–	(1.3%)	(5.5%)	15.6%
Total municipal employees headcount	6, 10									
Finance personnel headcount	8, 10	**25**	**24**	**1**	**25**	**24**	**1**	**25**	**19**	**6**
Human Resources personnel headcount	8, 10	**22**	**21**	**1**	**22**	**21**	**1**	**23**	**22**	**1**

KZN286 Nkandla - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source																
Property rates		4 024	4 024	4 024	4 024	4 024	4 024	4 024	4 024	4 024	4 024	4 024	4 024	48 283	50 504	52 827
Service charges - electricity revenue		1 766	1 766	1 766	1 766	1 766	1 766	1 766	1 766	1 766	1 766	1 766	1 766	21 195	22 170	23 189
Service charges - water revenue													–	–	–	–
Service charges - sanitation revenue													–	–	–	–
Service charges - refuse revenue		67	67	67	67	67	67	67	67	67	67	67	67	800	1 000	1 200
Rental of facilities and equipment		108	108	108	108	108	108	108	108	108	108	108	108	1 300	1 500	2 000
Interest earned - external investments		154	154	154	154	154	154	154	154	154	154	154	154	1 850	1 950	2 500
Interest earned - outstanding debtors		154	154	154	154	154	154	154	154	154	154	154	154	1 850	1 950	2 500
Dividends received		–	–										–	–	–	–
Fines, penalties and forfeits		2	2	2	2	2	2	2	2	2	2	2	0	24	25	26
Licences and permits		4	4	4	4	4	4	4	4	4	4	4	219	265	268	270
Agency services		–	–										–	–	–	–
Transfers and subsidies		9 122	9 122	9 122	9 122	9 122	9 122	9 122	9 122	9 122	9 122	9 122	9 122	109 463	113 171	121 964
Other revenue		50	50	50	50	50	50	50	50	50	50	50	225	775	780	785
Gains													–	–	–	–
Total Revenue (excluding capital transfers and cont		**15 451**	**15 451**	**15 451**	**15 451**	**15 451**	**15 451**	**15 451**	**15 451**	**15 451**	**15 451**	**15 451**	**15 839**	**185 805**	**193 318**	**207 262**
Expenditure By Type																
Employee related costs		4 348	4 348	4 348	4 348	4 348	4 348	4 348	4 348	4 348	4 348	4 348	6 714	54 545	58 173	62 117
Remuneration of councillors		937	937	937	937	937	937	937	937	937	937	937	937	11 245	11 670	12 506
Debt impairment		200	250	200	250	200	250	200	250	200	250	250	–	2 500	2 700	3 000
Depreciation & asset impairment		1 500	1 500	1 500	1 500	1 500	1 500	1 500	1 500	1 500	1 500	1 500	500	17 000	18 000	19 000
Finance charges		–	–										–	–	–	–
Bulk purchases		1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 455	1	16 000	17 000	18 000
Other materials		426	426	426	426	426	426	426	426	926	926	926	826	7 011	8 200	9 444
Contracted services		3 436	3 436	3 436	3 436	3 436	3 436	3 436	3 436	3 436	3 436	3 436	3 736	41 533	42 200	44 500
Transfers and subsidies		208	208	208	208	208	208	208	208	208	208	208	208	2 500	2 500	2 500
Other expenditure		2 391	2 391	2 391	2 391	2 391	2 391	2 391	2 391	2 391	2 391	2 391	2 820	29 121	29 500	31 800
Losses													–	–	–	–
Total Expenditure		**14 901**	**14 951**	**14 901**	**14 951**	**14 901**	**14 951**	**14 901**	**14 951**	**15 401**	**15 451**	**15 451**	**15 742**	**181 456**	**189 942**	**202 867**
Surplus/(Deficit)		**550**	**500**	**550**	**500**	**550**	**500**	**550**	**500**	**50**	**0**	**0**	**97**	**4 349**	**3 375**	**4 394**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	33 506	38 365	39 580
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)													–	–	–	–
Transfers and subsidies - capital (in-kind - all)													–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**3 342**	**3 292**	**3 342**	**3 292**	**3 342**	**3 292**	**3 342**	**3 292**	**2 842**	**2 792**	**2 792**	**2 889**	**37 855**	**41 740**	**43 974**
Taxation													–	–	–	–
Attributable to minorities													–	–	–	–
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	**3 342**	**3 292**	**3 342**	**3 292**	**3 342**	**3 292**	**3 342**	**3 292**	**2 842**	**2 792**	**2 792**	**2 889**	**37 855**	**41 740**	**43 974**

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

check - - -

KZN286 Nkandla - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote																
Vote 1 - EXECUTIVE AND COUNCIL													–	–	–	–
Vote 2 - OFFICE OF THE MUNICIPAL MANAGER													–	–	–	–
Vote 3 - BUDGET AND TREASURY		13 937	13 937	13 937	13 937	13 937	13 937	13 937	13 937	13 937	13 937	13 937	13 936	167 241	173 945	186 781
Vote 4 - CORPORATE SERVICES													–	–	–	–
Vote 5 - COMMUNITY SERVICES		117	117	117	117	117	117	117	117	117	117	117	481	1 764	1 873	2 281
Vote 6 - TECHNICAL SERVICES		4 192	4 192	4 192	4 192	4 192	4 192	4 192	4 192	4 192	4 192	4 192	4 192	50 306	55 865	57 780
Vote 7 - [NAME OF VOTE 7]													–	–	–	–
Vote 8 - [NAME OF VOTE 8]													–	–	–	–
Vote 9 - [NAME OF VOTE 9]													–	–	–	–
Vote 10 - [NAME OF VOTE 10]													–	–	–	–
Vote 11 - [NAME OF VOTE 11]													–	–	–	–
Vote 12 - [NAME OF VOTE 12]													–	–	–	–
Vote 13 - [NAME OF VOTE 13]													–	–	–	–
Vote 14 - [NAME OF VOTE 14]													–	–	–	–
Vote 15 - [NAME OF VOTE 15]													–	–	–	–
Total Revenue by Vote		**18 246**	**18 246**	**18 246**	**18 246**	**18 246**	**18 246**	**18 246**	**18 246**	**18 246**	**18 246**	**18 246**	**18 609**	**219 311**	**231 683**	**246 842**
Expenditure by Vote to be appropriated																
Vote 1 - EXECUTIVE AND COUNCIL		1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	12 995	12 370	13 606
Vote 2 - OFFICE OF THE MUNICIPAL MANAGER		1 668	1 668	1 668	1 668	1 668	1 668	1 668	1 668	1 668	1 668	1 668	3 906	22 253	24 495	25 900
Vote 3 - BUDGET AND TREASURY		3 991	3 991	3 991	3 991	3 991	3 991	3 991	3 991	3 991	3 991	3 991	730	44 631	53 869	58 217
Vote 4 - CORPORATE SERVICES		2 500	2 500	2 500	2 500	2 500	2 500	2 500	2 500	2 500	2 500	2 500	3 975	31 473	24 495	25 900
Vote 5 - COMMUNITY SERVICES		2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 520	27 345	24 495	25 900
Vote 6 - TECHNICAL SERVICES		3 955	3 955	3 955	3 955	3 955	3 955	3 955	3 955	3 955	3 955	3 955	(744)	42 759	50 217	53 345
Vote 7 - [NAME OF VOTE 7]													–	–	–	–
Vote 8 - [NAME OF VOTE 8]													–	–	–	–
Vote 9 - [NAME OF VOTE 9]													–	–	–	–
Vote 10 - [NAME OF VOTE 10]													–	–	–	–
Vote 11 - [NAME OF VOTE 11]													–	–	–	–
Vote 12 - [NAME OF VOTE 12]													–	–	–	–
Vote 13 - [NAME OF VOTE 13]													–	–	–	–
Vote 14 - [NAME OF VOTE 14]													–	–	–	–
Vote 15 - [NAME OF VOTE 15]													–	–	–	–
Total Expenditure by Vote		**15 453**	**15 453**	**15 453**	**15 453**	**15 453**	**15 453**	**15 453**	**15 453**	**15 453**	**15 453**	**15 453**	**11 470**	**181 456**	**189 942**	**202 867**
Surplus/(Deficit) before assoc.		**2 792**	**2 792**	**2 792**	**2 792**	**2 792**	**2 792**	**2 792**	**2 792**	**2 792**	**2 792**	**2 792**	**7 139**	**37 855**	**41 740**	**43 974**
Taxation													–	–	–	–
Attributable to minorities													–	–	–	–
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	**2 792**	**2 792**	**2 792**	**2 792**	**2 792**	**2 792**	**2 792**	**2 792**	**2 792**	**2 792**	**2 792**	**7 139**	**37 855**	**41 740**	**43 974**

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

check - - -

KZN286 Nkandla - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional																
Governance and administration		16 246	16 246	16 246	16 246	16 246	16 246	16 246	16 246	16 246	16 246	16 246	16 246	194 952	205 940	219 371
Executive and council													–	–	–	–
Finance and administration		16 246	16 246	16 246	16 246	16 246	16 246	16 246	16 246	16 246	16 246	16 246	16 246	194 952	205 940	219 371
Internal audit													–	–	–	–
Community and public safety		167	167	167	167	167	167	167	167	167	167	167	531	2 364	2 573	3 081
Community and social services		158	158	158	158	158	158	158	158	158	158	158	522	2 264	2 433	2 881
Sport and recreation													–	–	–	–
Public safety		8	8	8	8	8	8	8	8	8	8	8	8	100	140	200
Housing													–	–	–	–
Health													–	–	–	–
Economic and environmental services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Planning and development													–	–	–	–
Road transport													–	–	–	–
Environmental protection													–	–	–	–
Trading services		1 833	1 833	1 833	1 833	1 833	1 833	1 833	1 833	1 833	1 833	1 833	1 833	21 995	23 170	24 389
Energy sources		1 766	1 766	1 766	1 766	1 766	1 766	1 766	1 766	1 766	1 766	1 766	1 766	21 195	22 170	23 189
Water management													–	–	–	–
Waste water management													–	–	–	–
Waste management		67	67	67	67	67	67	67	67	67	67	67	67	800	1 000	1 200
Other													–	–	–	–
Total Revenue - Functional		18 246	18 246	18 246	18 246	18 246	18 246	18 246	18 246	18 246	18 246	18 246	18 609	219 311	231 683	246 842
Expenditure - Functional																
Governance and administration		9 242	9 242	9 242	9 242	9 242	9 242	9 242	9 242	9 242	9 242	9 242	6 852	108 510	115 629	124 673
Executive and council		2 751	2 751	2 751	2 751	2 751	2 751	2 751	2 751	2 751	2 751	2 751	1 954	32 213	40 690	43 695
Finance and administration		6 491	6 491	6 491	6 491	6 491	6 491	6 491	6 491	6 491	6 491	6 491	4 898	76 297	74 939	80 978
Internal audit													–	–	–	–
Community and public safety		2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	1 460	26 286	28 320	30 089
Community and social services		2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	1 460	26 286	28 320	30 089
Sport and recreation													–	–	–	–
Public safety													–	–	–	–
Housing													–	–	–	–
Health													–	–	–	–
Economic and environmental services		2 498	2 498	2 498	2 498	2 498	2 498	2 498	2 498	2 498	2 498	2 498	1 701	29 183	28 320	30 089
Planning and development		2 498	2 498	2 498	2 498	2 498	2 498	2 498	2 498	2 498	2 498	2 498	1 701	29 183	28 320	30 089
Road transport													–	–	–	–
Environmental protection													–	–	–	–
Trading services		1 457	1 457	1 457	1 457	1 457	1 457	1 457	1 457	1 457	1 457	1 457	1 456	17 478	17 674	18 017
Energy sources		1 457	1 457	1 457	1 457	1 457	1 457	1 457	1 457	1 457	1 457	1 457	1 456	17 478	17 674	18 017
Water management													–	–	–	–
Waste water management													–	–	–	–
Waste management													–	–	–	–
Other													–	–	–	–
Total Expenditure - Functional		15 453	15 453	15 453	15 453	15 453	15 453	15 453	15 453	15 453	15 453	15 453	11 469	181 456	189 942	202 867
Surplus/(Deficit) before assoc.		2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	7 140	37 855	41 740	43 974
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	7 140	37 855	41 740	43 974

References

1. Surplus (Deficit) must reconcile with Budeted Financial Performance

check - - -

KZN286 Nkandla - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Expenditure - Functional	1															
Governance and administration		640	640	640	640	640	640	640	640	640	640	640	639	7 674	8 057	8 460
Executive and council													–	–	–	–
Finance and administration		640	640	640	640	640	640	640	640	640	640	640	639	7 674	8 057	8 460
Internal audit													–	–	–	–
Community and public safety		1 234	1 234	1 234	1 234	1 234	1 234	1 234	1 234	1 234	1 234	1 234	1 234	14 806	15 546	16 324
Community and social services		867	867	867	867	867	867	867	867	867	867	867	867	10 406	10 926	11 473
Sport and recreation		250	250	250	250	250	250	250	250	250	250	250	250	3 000	3 150	3 308
Public safety		117	117	117	117	117	117	117	117	117	117	117	117	1 400	1 470	1 544
Housing													–	–	–	–
Health													–	–	–	–
Economic and environmental services		1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	12 000	12 600	13 230
Planning and development													–	–	–	–
Road transport		1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	12 000	12 600	13 230
Environmental protection													–	–	–	–
Trading services		967	967	967	967	967	967	967	967	967	967	967	967	11 600	12 180	12 789
Energy sources		950	950	950	950	950	950	950	950	950	950	950	950	11 400	11 970	12 569
Water management													–	–	–	–
Waste water management													–	–	–	–
Waste management		17	17	17	17	17	17	17	17	17	17	17	17	200	210	221
Other													–	–	–	–
Total Capital Expenditure - Functional	2	3 840	3 840	3 840	3 840	3 840	3 840	3 840	3 840	3 840	3 840	3 840	3 840	46 080	48 384	50 803
Funded by:																
National Government		2 792	2 795	2 795	2 795	2 795	2 795	2 795	2 795	2 795	2 795	2 795	2 762	33 506	38 365	39 580
Provincial Government													–	–	–	–
District Municipality													–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public													–	–	–	–
Transfers recognised - capital		2 792	2 795	2 795	2 795	2 795	2 795	2 795	2 795	2 795	2 795	2 795	2 762	33 506	38 365	39 580
Borrowing													–	–	–	–
Internally generated funds		1 048	1 048	1 048	1 048	1 048	1 048	1 048	1 048	1 048	1 048	1 048	1 048	12 574	10 019	11 223
Total Capital Funding		3 840	3 843	3 843	3 843	3 843	3 843	3 843	3 843	3 843	3 843	3 843	3 810	46 080	48 384	50 803

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates

2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

check

KZN286 Nkandla - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash Receipts By Source															
Property rates	3 340	3 340	3 340	3 340	3 340	3 340	3 340	3 340	3 340	3 340	3 340	3 335	40 075	41 918	43 846
Service charges - electricity revenue	1 566	1 450	1 400	1 350	1 480	1 766	1 570	1 440	1 490	1 420	1 466	1 194	17 592	18 401	19 247
Service charges - water revenue												–	–	–	–
Service charges - sanitation revenue												–	–	–	–
Service charges - refuse revenue	55	55	55	55	55	55	55	55	55	55	55	55	664	830	996
Rental of facilities and equipment	87	87	87	87	87	87	87	87	87	87	87	83	1 040	1 200	1 600
Interest earned - external investments	154	154	154	154	154	154	154	154	154	154	154	156	1 850	1 950	2 500
Interest earned - outstanding debtors	123	123	123	123	123	123	123	123	123	123	123	127	1 480	1 560	2 000
Dividends received												–	–	–	–
Fines, penalties and forfeits	4	4	4	1	1	1	2	1	2	1	1	0	24	25	26
Licences and permits	3	3	3	3	3	3	3	3	3	3	3	175	212	214	216
Agency services												–	–	–	–
Transfers and Subsidies - Operational	49 000					39 000			21 463			–	109 463	113 171	121 964
Other revenue	40	40	40	40	40	40	40	40	40	40	40	180	620	624	628
Cash Receipts by Source	**54 373**	**5 257**	**5 207**	**5 154**	**5 284**	**44 570**	**5 375**	**5 244**	**26 758**	**5 224**	**5 270**	**5 306**	**173 020**	**179 894**	**193 023**
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	15 000					12 000			6 506			–	33 506	38 365	39 580
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)												–			
Proceeds on Disposal of Fixed and Intangible Assets												–			
Short term loans												–			
Borrowing long term/refinancing												–			
Increase (decrease) in consumer deposits												–			
Decrease (increase) in non-current receivables	607	607	607	607	607	607	607	607	607	607	607	2 606	9 281	10 449	11 154
Decrease (increase) in non-current investments												–			
Total Cash Receipts by Source	**69 980**	**5 864**	**5 814**	**5 761**	**5 891**	**57 177**	**5 982**	**5 851**	**33 871**	**5 831**	**5 877**	**7 912**	**215 806**	**228 708**	**243 757**
Cash Payments by Type															
Employee related costs	4 348	4 348	4 348	4 348	4 348	4 348	4 348	4 348	4 348	4 348	4 348	6 714	54 545	58 173	62 117
Remuneration of councillors	937	937	937	937	937	937	937	937	937	937	937	937	11 245	12 370	13 606
Finance charges												–			
Bulk purchases - Electricity	1 457	1 457	1 457	1 457	1 457	1 457	1 457	1 457	1 457	1 457	1 457	(22)	16 000	17 000	18 000
Bulk purchases - Water & Sewer												–			
Other materials	926	926	926	926	926	926	926	926	926	926	926	(3 174)	7 011	8 200	9 444
Contracted services	3 436	3 436	3 436	3 436	3 436	3 436	3 436	3 436	3 436	3 436	3 436	3 736	41 533	42 200	44 500
Transfers and grants - other municipalities												–			
Transfers and grants - other	208	208	208	208	208	208	208	208	208	208	208	208	2 500	2 500	2 500
Other expenditure	2 391	2 391	2 391	2 391	2 391	2 391	2 391	2 391	2 391	2 391	2 391	6 120	32 421	34 300	37 000
Cash Payments by Type	**13 703**	**13 703**	**13 703**	**13 703**	**13 703**	**13 703**	**13 703**	**13 703**	**13 703**	**13 703**	**13 703**	**14 520**	**165 256**	**174 742**	**187 167**
Other Cash Flows/Payments by Type															
Capital assets	3 840	3 840	3 840	3 840	3 840	3 840	3 840	3 840	3 840	3 840	3 840	3 840	46 080	48 384	50 803
Repayment of borrowing												–			
Other Cash Flows/Payments												3 500	3 500	4 000	4 100
Total Cash Payments by Type	**17 543**	**17 543**	**17 543**	**17 543**	**17 543**	**17 543**	**17 543**	**17 543**	**17 543**	**17 543**	**17 543**	**21 860**	**214 836**	**227 126**	**242 070**
NET INCREASE/(DECREASE) IN CASH HELD	**52 436**	**(11 680)**	**(11 730)**	**(11 783)**	**(11 653)**	**39 633**	**(11 562)**	**(11 693)**	**16 327**	**(11 713)**	**(11 667)**	**(13 948)**	**971**	**1 582**	**1 687**
Cash/cash equivalents at the month/year begin:	5 268	57 704	46 025	34 295	22 512	10 860	50 493	38 931	27 239	43 566	31 853	20 187	5 268	6 239	7 820
Cash/cash equivalents at the month/year end:	57 704	46 025	34 295	22 512	10 860	50 493	38 931	27 239	43 566	31 853	20 187	6 239	6 239	7 820	9 508

References

1. Note that this section of Table SA 30 is deliberately not linked to Table A4 because timing differences between the invoicing of clients and receiving the cash means that the cashflow will differ from budgeted revenue, and similarly for budgeted expenditure. However for the MTREF it is now directly linked to A7.

CAPITAL EXPENDITURE DETAILS

KZN286 Nkandla - Supporting Table SA36 Detailed capital budget

R thousand		2020/21 Medium Term Revenue & Expenditure Framework		
Function	**Project Description**	**Budget Year 2020/21**	**Budget Year +1 2021/22**	**Budget Year +2 2022/23**
Parent municipality:				
List all capital projects grouped by Function				
MIG FUNDED PROJECTS				
Sphande Access Road Ward 9	Sphande Access Road Ward 9	3 000		
Skhwane Access Road Ward 12	Skhwane Access Road Ward 12	3 000		
Ezindumeni Community Hall Ward 2	Ezindumeni Community Hall Ward 2	2 500		
Lindela Taxi Rank in Ward 14	Lindela Taxi Rank in Ward 14	3 000		
Mabengela Sports Complex Ward 6	Mabengela Sports Complex Ward 6	3 000		
Thalaneni / Mbizwe Phase 2 Gravel	Thalaneni / Mbizwe Phase 2 Gravel Road Ward 4	4 000		
Multi year projects	Multi year projects	4 206		
INEP FUNDED PROJECTS				
Cuphuchuku Electrification	Cuphuchuku Electrification	1 500		
Maqhashiya / Zingwelevu Electrificatio	Maqhashiya / Zingwelevu Electrification	1 500		
Maphumulo Electrification	Maphumulo Electrification	1 500		
Nhloshana Electrification	Nhloshana Electrification	6 300		
Parent Capital expenditure		**33 506**	**–**	**–**
Entities:				
List all capital projects grouped by Entity				
Entity A				
Water project A				
Entity B				
Electricity project B				
Entity Capital expenditure		**–**	**–**	**–**
Total Capital expenditure		**33 506**	**–**	**–**

Quality Certificate

I, **LS Jili**, Municipal Manager of **Nkandla Municipality**, hereby certify that the annual budget and supporting documentation of the 2020/21 Operating and Capital Budget have been prepared in accordance with the Municipal Finance Management Act, 56 of 2003, and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name : Mr Langelihle Jili

Municipal Manager of : NKANDLA MUNICIPALITY

Signature : ……

Date : ……

ANNEXURE B – TARIFFS OF CHARGES

SERVICE TARIFFS FOR FINANCIAL YEAR: 2020/2021

In terms of Section the Sections 2, 7, 8 and 14 of the Local Government : Municipal Property Rates Act 6 of 2004 ("the Act"), read with Section 75AB and Sections 4(1)(c)(ii) and 11(3)(i) of the Local Government: Municipal Systems Act 32 of 2000 ("the Systems Act") and Section 24(2)(c)(i) of the Local Government : Municipal Financial Management Act 56 of 2003 ("the MFMA"), The Council of Nkandla Municipality hereby declares its intention that the following tariff of charges are to be levied for the financial year 2020/21 as approved on 28 May 2020.

NKANDLA LOCAL MUNICIPALITY - KZ286 ADOPTED TARRIFS -2020/21				
	2019/20 CURRENT	2020/21	2020/21	2020/21
A. TOWN PLANNING	**5.6%**	**Exclusive**	**VAT**	**Inclusive**
1.1 CONSIDERATION FOR APPROVAL OF SUBDIVISIONS/CONSOLIDATIONS		4.60%		
1.1.1 Basic fee	1 336.00	1 398.00	209.70	1 607.70
1.1.2 Additional fee, per subdivision (Remainder to be considered a subdivision)	168.00	176.00	26.40	202.40
1.1.3 Amendment of subdivision in process	334.00	350.00	52.50	402.50
1.1.4 Application for registration of right of way servitudes/long term leases- Administration fee (note – this excludes legal fees)	333.00	349.00	52.35	401.35
1.1.5 Application for phasing/cancellation of approved layout plans –Administration fee	2 336.00	2 444.00	366.60	2 810.60
2. APPLICATION FOR RELAXATION OF BUILDING LINES AND/OR SIDE AND REAR SPACES IN TERMS OF TOWN PLANNING CLAUSE (PER APPLICATION)	1 336.00	1 398.00	209.70	1 607.70
3. REZONING APPLICATION			-	-
3.1 Less than (1) ha	5 338.00	5 584.00	837.60	6 421.60
3.2 One (1) ha and over but less than five (5) ha	7 340.00	7 678.00	1 151.70	8 829.70
3.3 Five (5) ha and over but less than 10 ha	8 007.00	8 376.00	1 256.40	9 632.40
3.4 Ten (10) ha and over	10 675.00	11 167.00	1 675.05	12 842.05
4. ZONING CERTIFICATES	101.00	106.00	15.90	121.90
5. SPECIAL CONSENT				
5.1 Consent to operate home industry without additional employment opportunities (Category A)	1 336.00	1 398.00	209.70	1 607.70
5.2 All other consent use applications (Category B)	2 669.00	2 792.00	418.80	3 210.80
6. REMOVAL OF RESTRICTIVE CONDITIONS OF TITLE	2 001.00	2 094.00	314.10	2 408.10
7. CLOSURE OF PUBLIC STREETS/OPEN SCPACES - ADMINISTRATION FEE	489.00	512.00	76.80	588.80
8. DEVELOPMENT OUTSIDE OF SCHEME AREAS				
8.1 Residential development	2 637.98	2 760.00	414.00	3 174.00
8.2 Commercial Development	5 316.97	5 562.00	834.30	6 396.30
8.3 Infrastructure Development	2 656.88	2 780.00	417.00	3 197.00
9. PUBLIC NOTICES				
9.1 Notices in the legal section	4 385.00	4 587.00	688.05	5 275.05
9.2 Notices in the body of the paper	7 741.00	8 098.00	1 214.70	9 312.70
10. FINES				
10.1 Appeals	1 445.00	1 512.00	226.80	1 738.80
10.2 Hearing	Cost plus 10%	Cost plus 10%	Cost plus 10%	Cost plus 10%
11. SECTION 87 & 88 FINES AS PER NKANDLA MUNCIPAL SPLUMA BYLAWS				
B. CHARGES FOR THE SUBMISSION OF PLANS FOR NEW BUILDINGS OR ALTERATIONS OR EXTENSIONS TO EXISTING COMPLETED BUILDING				
12. NEW WORKS				
12.1 For each new building or additions to existing buildings per square metre:				
12.1.1 For the first 20m²	307.00	322.00	48.30	370.30
12.1.2 Each additional 10m² or part thereof up to 5 000m²	110.00	116.00	17.40	133.40
12.1.3 Each additional 10m² or part thereof more Than 5 000m² and up to 15 000m²	84.00	88.00	13.20	101.20
12.1.4 Each additional 10m² or part thereof more Than 15 000m²	71.00	75.00	11.25	86.25
12.2 FOR SWIMMING POOLS	455.00	476.00	71.40	547.40
12.3 FOR BOUNDARY WALLS	455.00	476.00	71.40	547.40
12.4 FOR DEMOLISHING	455.00	476.00	71.40	547.40
13. As built or amended plans				
13.1 For as built plans, will existing submission fee plus 25% and plus full tariff for additional new works				
14. INTERNAL ALTERATIONS TO EXISTING BUILDINGS				
14.1 Any form of internal alterations to existing buildings of any nature not defined as "as built" or amended plans" (i.e. plans passed and structures which have already passed occupation requirements)				
14.1.1 Fixed tariff: Structures up to 500m²	455.00	476.00	71.40	547.40
14.1.2 Structures up to 5000m²	910.00	952.00	142.80	1 094.80
14.1.3 Structures exceeding 5000m²	1 663.00	1 740.00	261.00	2 001.00

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15. FOR THE RENEWAL OF PLANS WHICH HAVE EXPIRED	50% of exising submission fee			
16. REPRODUCTION OF BUILDING PLANS ON PAPER				
16.1.1 A0	58.00	61.00	9.15	70.15
16.1.2 A1	45.00	48.00	7.20	55.20
16.1.3 A2	39.00	41.00	6.15	47.15
16.1.4 A3	34.00	36.00	5.40	41.40
16.1.5 A4	20.00	21.00	3.15	24.15
17. REPRODUCTION OF BUILDING PLANS ON PLASTIC FILM		-	-	-
17.1.1 A0	160.00	168.00	25.20	193.20
17.1.2 A1	129.00	135.00	20.25	155.25
17.1.3 A2	110.00	116.00	17.40	133.40
17.1.4 A3	78.00	82.00	12.30	94.30
17.1.5 A4	58.00	61.00	9.15	70.15
18. AMENDMENTS OF PLANS	101.00	106.00	15.90	121.90
19. NON-COMPLIANCE WITH BUILDING INSPECTORS INSTRUCTIONS	377.00	395.00	59.25	454.25
20. SITE INSPECTION BY BUILDING INSPECTORATE OF THE MUNICIPALITY - PER VISIT				
20.1 Inspection will be conducted on the following intervals - commencement of building operations, trench or foundation inspection, sub-floor inspection, roof inspection, sewer drain inspection, general inspection and final inspection	214.00	224.00	33.60	257.60
21. VERGE DEPOSIT - REFUNDABLE AT DISCRETION OF THE MUNICIPALITY	434.00	454.00	68.10	522.10
22.RURAL AREAS BUILDING APPROVAL			-	-
For every application for the approval of rural building plan in terms of the Nkandla Municipal SPLUMA Bylaws, shall be accompanied by the following fees:			-	-
22.1 For new residential building works	500.00	523.00	78.45	601.45
22.2 For new commercial/industrial buildings works	1 000.00	1 046.00	156.90	1 202.90
C. BUS AND TAXI RANKS				
23. FEE FOR THE ISSUE OR RENEWAL OF A PERMIT TO USE A PUBLIC VEHICLE STATE:				
23.1 Public buses, per annum for each bus	262.00	275.00	41.25	316.25
23.2 Per annum for each bus in excess of two in the same owneship	231.00	242.00	36.30	278.30
23.3 Taxis, per annum	253.00	265.00	39.75	304.75
D. CEMETERY				
24. BURIAL FEES:				
24.1 Where the deceased immediately before his death was resident in the Council's area of jurisdiction or alternatively reserved a site.	710.00	617.39	92.61	710.00
24.2 Where the deceased was not a resident as in 24.1 above.	752.00	653.91	98.09	752.00
24.3 Reservation fees - A non-refundable amount shall be payable for each plot reserved for residents	711.00	646.96	97.04	744.00
24.4 Burial of children between the age of 0 to 12 years	432.00	393.04	58.96	452.00
24.5 Pauper Burial	Free	Free	Free	Free
E. MISCELLANEOUS				
25. VALUATIONS - Valuation certificate which reflects the market value of the property in the valuation roll.	204.00	104.35	15.65	120.00
26. RATES CLEARANCE CERTIFICATE - Any certificate in terms of section 118 of the Municipal Systems Act.	101.00	104.35	15.65	120.00
27. APPLICATION FEE FOR PERMIT FOR OUTDOOR ADVERTISING - per billboard	801.00	838.00	125.70	963.70
28. SALE OF TENDER DOCUMENT - per document	710.00	617.39	92.61	710.00
29. BUSINESS TRADING LICENCE - Issue and renewal	384.00	401.74	60.26	462.00
30. WOOD SALES PERMIT - Valid for 1 day only	120.00	104.35	15.65	120.00
31. INFORMAL TRADERS - PER MONTH	34.00	8.70	1.30	10.00
32. IMPOUNDMENT FEE - VEHICLES AND CATTLES				
6.1 Impoundment fee is charged at a rate per vehicle, per day excluding security (Storage)	-	17.39	2.61	20.00
6.2 Impoundment fee is charged at a rate per cattle, per day excluding security(Storage)	-	52.17	7.83	60.00
F. REFUSE REMOVAL				
33.1 Refuse Removal - Place of worship - Per Week	71.00	75.00	11.25	86.25
3.2 Refuse Removal - Residential - Per Month	71.00	75.00	11.25	86.25
33.3 Refuse Removal - Municipal Own - Per month - 100% Rebate	71.00	75.00	11.25	86.25
33.4 Refuse Removal - Commercial - Per month	493.00	516.00	77.40	593.40
33.5 Refuse Removal - Public Service Purpose per month	493.00	516.00	77.40	593.40
33.6 - Refuse Removal - Bulk - Per Month	3 544.00	3 708.00	556.20	4 264.20
G. GARDEN REFUSE				
34.1 By tractor and small trailer, per load	406.00	425.00	63.75	488.75
34.2 By tractor and large trailer, per load	569.00	596.00	89.40	685.40
34.3 Clearing lots: Cost plus	511.00	535.00	80.25	615.25
34.4 Clearing of Building rubble, per load	650.00	680.00	102.00	782.00

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H. ELECTRICITY				
35.1 Electricity Connection Fees				
a) House with a market value of R85 000 or less as per Valuation Roll (20Amps)	3 293.00	3 445.00	516.75	3 961.75
b) House with a market value of R85001 or more as per Valuation Roll (60Amps)	5 873.00	6 144.00	921.60	7 065.60
c) Businesses within Nkandla Municipality (80Amps)	8 452.00	8 841.00	1 326.15	10 167.15
		-	-	-
35.2 Meter Upgrade		-	-	-
a) From 20Amps to 60 Amps	2 580.00	2 699.00	404.85	3 103.85
b) From 60 Amps to 80 Amps	2 580.00	2 699.00	404.85	3 103.85
c) From 20Amps to 80 Amps	5 160.00	5 398.00	809.70	6 207.70
		-	-	-
35.3 Second single phase prepayment connection on the same or subdivided premises		-	-	-
(This includes meter box and installation and labour costs)		-	-	-
a) Second single phase pre-payment connection on the same/subdivided premises - 20 Amps	3 296.00	3 448.00	517.20	3 965.20
b) Second single phase pre-payment connection on the same/subdivided premises - 60 Amps	5 879.00	6 150.00	922.50	7 072.50
		-	-	-
35.4 Single phase meter conversion from conventional to pre-payment (Domestic and Small Business)		-	-	-
a) Pre-payment meter - 20 Amps	3 296.00	3 448.00	517.20	3 965.20
b) Prepayment meter - 60 Amps	5 879.00	6 150.00	922.50	7 072.50
		-	-	-
35.5 Three phase meter conversion from conventional to three phase pre-payment (Domestic and Small Business) - 80 Amps	8 461.00	8 851.00	1 327.65	10 178.65
		-	-	-
35.6 Single phase conventional connection - >=60 Amps	5 879.00	6 150.00	922.50	7 072.50
		-	-	-
35.7 Single phase meter conversion from conventional to three phase conventional (Domestic and Small Business)	11 226.00	11 743.00	1 761.45	13 504.45
35.8. Single phase meter conversion from conventional to three phase pre-payment meter (Domestic and Small Business)	12 339.00	12 907.00	1 936.05	14 843.05
35.9. Domestic conversion from single to three phases Maximum demand connection (100Amp)	12 814.00	13 404.00	2 010.60	15 414.60
35.10. Domestic three phase conventional connection with a maximum demand of 100A (Nkandla)	12 438.00	13 011.00	1 951.65	14 962.65
35.11. Domestic three phase pre-payment connection - >=80 Amps	8 461.00	8 851.00	1 327.65	10 178.65
35.12. New 80A single phase supply or conversion from 60A to 80A	4 118.00	4 308.00	646.20	4 954.20
35.13. Non-domestic three phase connection with a Maximum demand of 100A		-	-	-
(The price will be determined by the engineers, as any meter with the maximum demand of 100 Amps or above needs assessment. Price will then be determined by that assessment.)		-	-	-
35.14. Conversion from 80A single phase pre-payment to 3 phase pre-payment connection	9 548.00	9 988.00	1 498.20	11 486.20
35.15. Three phase connection with a max demand greater than 100 Amp (Nkandla) All cost plus 10% of all equipment necessary plus the cost of the infrastructure contributions for additional electricity above that for existing or allowed, based on the zoning and area of the premises.	-	-	-	-
(The price will be determined by the engineers, as any meter with the maximum demand of 100 Amps or above needs assessment. Price will then be determined by that assessment.)	-	-	-	-
35.16. An annual availability charge shall be assessed and levied in respect of each unserviced erf	3 054.00	3 195.00	479.25	3 674.25
35.17. Temporary connection - plus consumption (Reconnection Fee , Disconnection Fee and Consumption Fee)	-	-	-	-
a) For building purposes, per building unit or Contractor's site	428.00	448.00	67.20	515.20
b) Basic monthly charge (Consumption) Worship sites	58.00	61.00	9.15	70.15
Construction Sites (Consumption to be determined by conventional meter installed)	86.00	90.00	13.50	103.50
	-	-	-	-
35.18. Tampering Fees	-	-	-	-
a) House with a market value of R85 000 or less as per Valuation Roll	-	-	-	-
1. 1st Offence - Prepaid Meter	1 995.00	2 087.00	313.05	2 400.05
2. 2nd Offence - Prepaid Meter	3 987.00	4 171.00	625.65	4 796.65
3. 3rd Offence - Prepaid Meter	5 982.00	6 258.00	938.70	7 196.70
Any prepaid meter found to be tampered with ,the owner will be charged Tempering Fee, Disconnection Fee and Reconnection Fee plus a fixed consumption fine of R200.00				
b) House with a market value of R85001 or more as per Valuation Roll				
1. 1st Offence - Prepaid Meter	3 987.00	4 171.00	625.65	4 796.65
2. 2nd Offence - Prepaid Meter	5 979.00	6 255.00	938.25	7 193.25
3. 3rd Offence - Prepaid Meter	7 971.00	8 338.00	1 250.70	9 588.70
Any prepaid meter found to be tampered with ,the owner will be charged Tempering Fee, Disconnection Fee and Reconnection Fee plus a fixed consumption fine of R400.00				
c) Businesses within Nkandla Municipality				
1. 1st Offence - Prepaid Meter	5 983.00	6 259.00	938.85	7 197.85
2. 2nd Offence - Prepaid Meter	7 978.00	8 345.00	1 251.75	9 596.75
3. 3rd Offence - Prepaid Meter	9 974.00	10 433.00	1 564.95	11 997.95
Any prepaid meter found to be tampered with ,the owner will be charged Tempering Fee, Disconnection Fee and Reconnection Fee plus a fixed consumption fine of R600.00				

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35.19. Any conventional meter found to be tampered with the owner will be charged R2087 plus 3 months average consumption to be calculated by finance department.	1 846.00	1 931.00	289.65	2 220.65
		-	-	-
35.20. Disconnection Fees	397.00	250.00	-	250.00
		-	-	-
35.21. Reconnection Fees	397.00	217.39	32.61	250.00
		-	-	-
35.22. Meter Repositioning	788.00	552.17	82.83	635.00
			-	-
35.23. Meter Testing - (Refundable only if meter found to be faulty) - When a consumer disputes the reading of the meter and requests that the meter is read again so as to confirm this, the following fees will be Levied if found that the first reading was correct:	110.00	116.00	17.40	133.40
J. ELECTRICITY TARIFFS - AS PER NERSA APPLOVAL				
K. COMMUNITY HALLS AND SPORTSFIELDS				
37.1 The following tariffs and deposits are payable for the hire of the facilities:				
a. Hall Hire (Day Rate) From: 06h00 to 18h00	751.00	786.00	117.90	903.90
b. Hall Hire (Evening Rate): From 18h00 to 05h00	1 064.00	1 113.00	166.95	1 279.95
c. Hall Deposit (both for day and night)	993.00	1 039.00	-	1 039.00
d. Fixed Charge for Electicity, Water and Kitchen Usage	263.00	250.00	37.50	287.50
		-	-	-
37.2 The following tarrifs and deposits are payable for the hire of sportsfield		-	-	-
a. Sportfield Hire (Schools)	596.00	624.00	93.60	717.60
b.Sportfield Hire (Other) - Day Rates	1 176.00	1 231.00	184.65	1 415.65
c.Sportsfield Hire (Other) - Evening Rates	1 348.00	1 411.00	211.65	1 622.65
d. Fixed Charge for Electicity and Water Usage	239.00	250.00	37.50	287.50
		-	-	-
37.3 The following tarrifs are payable for the hire of Recreational Parks		-	-	-
a. Booking for wedding (Day): From 06H00 to 18H00	751.00	786.00	117.90	903.90
b. Booking for a wedding (Night): From 18h00 to 05h00	1 064.00	1 113.00	166.95	1 279.95
c. Booking for Social gatherings e.g. reunions	717.00	750.00	112.50	862.50
d. Booking for birthday	239.00	250.00	37.50	287.50

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e.Booking for birthday	359.00	-	-	-
f. Fixed Charge for Electicity and Water Usage	239.00	250.00	37.50	287.50
L. LIBRARY ACTIVITIES				
38.1 Library hours :- Monday – Friday (08:00am – 16:30pm)	-	-	-	-
Saturday (08:00am – 13:00pm)	-	-	-	-
	-	-	-	-
38.2 Tariffs on overdue Material :	-	-	-	-
(i) On books - per book per week	Determined by system	Determined by system	Determined by system	Determined by system
Maximum fine	-	-	-	-
(ii) On DVD's & Videos - on each per day	Determined by system	Determined by system	Determined by system	Determined by system
Maximum fine	-	-	-	-
38.3 Photocopies - per page				
1. A4 (Black & White)	1.00	2.00	0.30	2.30
2. A4 (Colour)	5.00	6.00	0.90	6.90
3. A3 (Black & White)	6.00	7.00	1.05	8.05
4. A3 (Colour)	7.00	8.00	1.20	9.20
38.4 Internet print out - per page (A4)	1.00	2.00	0.30	2.30
38.5 Internet print out - per per A4 Colour	5.00	6.00	0.90	6.90
M. SWIMMING POOL				
39.1 Use of the pool between 08:00 to 18:00 hours per adult	20.00	17.39	2.61	20.00
39.2 Use of the pool between 08:00 to 18:00 hours per child	14.00	13.04	1.96	15.00
39.3 No child aged 12 years and under, if un-accompanied by an adult, will be admitted to the pool.	Free	Free	Free	Free
O. RATES - SEE GAZZETTED NOTICE				
P. RENTAL OF MUNICIPAL FACILITIES				
41.1 SMMEs Phase 1				
a) 8.7sqm (as per lease period agreement)	956.00	956.00	143.40	1 099.40
b) 21sqm (as per lease period agreement)	1 214.00	1 214.00	182.10	1 396.10
41.2 SMMEs Phase 2		-	-	-
a) 21sqm (as per lease period agreement)	1 833.00	1 833.00	274.95	2 107.95
b) 42sqm (as per lease period agreement)	3 665.00	3 665.00	549.75	4 214.75
41.3 Market Stalls	240.00	43.48	6.52	50.00
41.4 BUSINESS PARK	2 934.00	2 934.00	440.10	3 374.10
5(a) 84.5sqm (as per lease period agreement)	4 256.00	4 256.00	638.40	4 894.40
5(b) 130sqm (as per lease period agreement)	6 239.00	6 239.00	935.85	7 174.85
41.5 Fresh Produce Market	25 336.00	25 336.00	3 800.40	29 136.40
41.6 KING CETSHWAYO CONTAINER	2 635.00	2 635.00	395.25	3 030.25
41.6 OTHER RENTALS WILL BE CHARGED AT RATE PER SQUARE METER	70.00	60.87	9.13	70.00
41.7 Tractor Hire				
41.7.1 Soi Turning				
41.7.2 Disking				
41.7.3 Ridging				
For each activity the amount to be charged will be calculated as follows (Length X Breath X 45%)/3 (times number of activities performed) - rate is inclusive of VAT				
42.1 Removal of containers in town (once off)	2 675.00	2 440.00	-	2 440.00
42.2 Storage of containers (per day)		43.48	7.50	50.00
43.STAFF RENTAL				
43.1.1 RENTAL 1	410.00	429.00	-	429.00
41.1.2 RENTAL 2	583.00	610.00	-	610.00
41.1.3 RENTAL 3	717.00	750.00	-	750.00
41.1.4 RENTAL 4	875.00	916.00	-	916.00
41.1.5 RENTAL 5	451.00	472.00	-	472.00
41.5. RENTAL 6 - COUNCIL HOUSE	1 715.00	1 794.00	-	1 794.00
43. BED AND BREAKFAST PER DAY (excluding breakfast and meals which will be quoted seperately)		347.83	52.17	400.00
NB: INTEREST CHARGED ON ALL OUTSTANDING AMOUNTS WILL BE 18% PER ANNUM	1.50%	1.50%	1.50%	1.50%
NB: ALL AMOUNTS ARE INCLUSIVE OF VAT OF 15%, WHERE VAT IS APPLICABLE				

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MR LS JILI

MUNICIPAL MANAGER